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U. S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social Security Administration



# *Social Security Bulletin*

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Voluntary Insurance Against Sickness: 1948-53 Estimates  
Old-Age and Survivors Insurance: Retirement Test Under  
the 1954 Amendments

Economic Status of Aged Persons, June 1954

Economic Status of Widows and Paternal Orphans, June  
1954



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U. S. DEPARTMENT OF  
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# Social Security in Review

THE old-age assistance caseload continued its downward trend in September. The decline was slight, however; only about 500 fewer aged persons received assistance in September than in August. The most significant changes in the public assistance programs were the contra-seasonal rises of 0.6 percent in the caseload for aid to dependent children and of 1.7 percent in the number of general assistance cases. The number of recipients of aid to the blind and aid to the permanently and totally disabled also increased.

The increase in the number of families receiving aid to dependent children brought the total to 588,000, a rise of 40,500 or 7.4 percent from September 1953. Four-fifths of the States were aiding more families in September than in August. Greater-than-average increases occurred in Arkansas (2.5 percent), New Hampshire (2.3 percent), and Oregon (9.6 percent) as cases were reopened for families when children returned to school. Payments had been suspended for some families in Arkansas because of potential income from employment during the summer months. New Hampshire and Oregon had withdrawn assistance only from the able-bodied older children.

The general assistance caseload rose 5,000 to 308,000 in September. Of the 47 States reporting changes for the month, 25 had more cases on the rolls than in August. Six States had increases of 5-10 percent. In Montana the number of cases jumped from 628 in August to 2,241 in September, as a result of a strike in the mines in two counties. Decreases of 3-7 percent were reported by five States.

Total expenditures were up for all programs; the combined total in September amounted to \$222.8 million. By far the largest increase in total payments (4.1 percent), as well as the highest rise in average payments (\$1.25 per case), occurred in general assistance. Increases in average payments for the other programs were small.

Action taken in a few States resulted in substantial increases in payments for three of the special types of public assistance in these States. For old-age assistance, when Colorado increased the maximum payment to recipients the average payment rose \$9.94. Nevada raised the

allowances for restaurant meals, shelter, and some special needs for recipients of aid to the blind; as a result the average payment in that program increased by \$3.99.

In New Hampshire and Oregon, with the reinstatement of payments to older children in families receiving aid to dependent children, the average payments for families rose \$4.66 and \$5.75, respectively.

Vendor payments for medical care accounted for the increases in the other States where average payments rose by more than \$3. Less than a third of the States reported lower average payments than in August for each of the special assistance pro-

	September 1954	August 1954	September 1953
<b>Old-age and survivors insurance:</b>			
Monthly benefits in current-payment status:			
Number (in thousands) .....	6,655	6,593	5,769
Amount (in thousands) .....	\$325,957	\$284,900	\$243,182
<b>Public assistance:</b>			
Recipients (in thousands):			
Old-age assistance .....	2,578	2,579	2,596
Aid to dependent children (total) .....	2,110	2,093	1,934
Aid to the blind.....	102	101	99
Aid to the permanently and totally disabled..	220	217	187
General assistance (cases) .....	308	303	239
Average payments:			
Old-age assistance .....	\$51.77	\$51.55	\$50.66
Aid to dependent children (per family)....	85.52	85.07	83.02
Aid to the blind.....	56.06	55.94	55.19
Aid to the permanently and totally disabled.	53.72	53.53	52.64
General assistance (per case) .....	53.68	52.43	47.59
<b>Unemployment insurance:</b>			
Initial claims (in thousands) .....	1,123	1,157	815
Beneficiaries, weekly average (in thousands) ..	1,414	1,523	651
Benefits paid (in millions) .....	\$154	\$163	\$65
Average weekly payment for total unemployment .....	\$25.57	\$25.02	\$23.77

grams, and the declines were relatively small.

Changes in average payments for general assistance were somewhat larger than those for the special types of public assistance, with higher average payments for that program occurring in 31 of the 49 States reporting. By far the largest increase was reported in Montana (\$21.82 per case), but because the large number of cases added to the rolls in September included more persons per case than in August, the payment per person actually averaged \$1.74 less than in the preceding month.

- By the end of September the old-age and survivors insurance area offices had completed the task of converting, in accordance with the provisions of the Social Security Amendments of 1954, the benefit rates for the 6.7 million persons currently receiving benefits. The disbursing offices of the Treasury Department were ready to begin mailing the increased benefit checks. The huge undertaking was completed in time for the September checks—the first for which the higher benefit rates were applicable—to be mailed to the beneficiaries on schedule.

Aggregate monthly benefits under the old-age and survivors insurance program increased sharply to \$326.0 million—about 14 percent more than

the August total. The increase in amount was due chiefly to the higher benefits provided by the 1954 amendments. There were, however, other contributing factors: (1) the growth in the beneficiary rolls resulting from benefits awarded during the month; (2) the increase, from \$168.75 to \$200.00, in the upper limit on total family benefits; (3) the establishment of a minimum amount (\$30.00) payable to any single survivor beneficiary—aged widow, widower, parent, or child; (4) the increase, from \$45.00 to \$50.00, in the amount of total family benefits below which the "80 percent of average monthly wage" maximum does not apply; and (5) the provision in the amendments that application of the "80 percent of average monthly wage" maximum shall in no case reduce the total family benefits to less than 1½ times the primary insurance amount.

The 6.7 million persons who were receiving monthly benefits at the end of September represented a rise of 62,000 from the number of beneficiaries a month earlier. This increase reflects the large number of monthly benefit awards (151,000) made during the month—more than in any month since September 1952. About 66,000 monthly benefits were terminated in September; the number of terminations has been increasing as the number of persons on the beneficiary rolls has increased. Lump-sum death bene-

fits totaling \$6.2 million were awarded to 36,000 persons in September.

- Unemployment among workers covered by State unemployment insurance laws showed a seasonal decline in September. Improved employment conditions in a number of industries, the reopening of plants that had been closed for vacation periods, and the exhaustion of benefit rights by some claimants reduced the claims loads. These factors were partly offset, however, by temporary cutbacks in the automobile manufacturing industry because of model changes and by unemployment in New England as the result of hurricane damage in that region.

State-insured unemployment averaged almost 1.6 million a week—6.6 percent less than the weekly average in August but double the average in September 1953. New unemployment, as measured by initial claims, dropped 2.9 percent during the month to 1.1 million.

The number of beneficiaries and the amount of benefits paid continued to decline in September. In an average week, 1.4 million unemployed workers received benefits—7 percent less than in August—and the amount of benefits paid declined during the month by approximately \$8.9 million to \$153.7 million. The average check paid for total unemployment amounted to \$25.57.

	September 1954	August 1954	September 1953	Calendar year 1953	1952
Civilian labor force, <sup>1</sup> total (in thousands)	65,243	65,522	63,552	63,417	62,966
Employed	62,144	62,276	62,306	61,894	61,293
Unemployed	3,099	3,245	1,246	1,523	1,673
Personal income <sup>2</sup> (in billions; seasonally adjusted)					
at annual rates), total	\$287.4	\$285.4	\$287.7	\$286.1	\$271.2
Employees' income	197.2	196.9	201.2	200.0	186.5
Proprietors' and rental income	49.3	48.2	48.9	49.0	49.9
Personal interest income and dividends	24.4	24.3	23.4	22.8	21.4
Public assistance	2.5	2.5	2.4	2.4	2.4
Social insurance and related payments	11.6	11.0	9.2	9.2	8.0
Other income payments	2.6	2.7	2.8	2.9	3.2
Consumer price index <sup>3</sup>	114.7	115.0	115.2	114.4	113.5

<sup>1</sup> Continental United States only. Estimated by the Bureau of the Census.  
<sup>2</sup> Continental United States, except for employees' income, which includes pay of Federal personnel in all areas. Data from the Office of Business Economics,

Department of Commerce, regrouped to show items of particular interest to *Bulletin* readers.

<sup>3</sup> Bureau of Labor Statistics, Department of Labor.

# Voluntary Insurance Against Sickness: 1948-53 Estimates\*

THE year 1953 saw a continued expansion in voluntary health insurance, both in terms of the number of persons with some protection against the costs of sickness and the dollar value of the protection provided. This growth in insurance

In our studies of the economic status of old-age and survivors insurance beneficiaries and our analyses of the reasons for persons coming on the public assistance rolls, we frequently find that sickness and its attendant costs are one of the major causes for economic insecurity. The Social Security Administration has observed the progress of prepayment for medical care and income loss with interest, and I believe that our findings, as presented in this annual series, will be of use to all who are concerned with the economic security of the American people.

CHARLES I. SCHOTTLAND  
Commissioner of Social Security

accompanied (1) an increase in population that resulted in greater expenditures for medical care and for medical care insurance and (2) rising costs. Nevertheless the growth in insurance protection from 1952 to 1953 was at a more accelerated rate than that of the other factors, so that again there was a net gain in the protection the population received through voluntary health insurance.

Voluntary health insurance takes such diverse forms in the United States today that lengthy documentation is required to delineate the types of benefits or the number of persons covered for each of these benefits. A summary of the main forms of voluntary insurance and the main categories of insurers may, however, be useful here.

\* Prepared in the Division of Research and Statistics, Office of the Commissioner.

Voluntary health insurance falls primarily into two broad classifications—cash indemnity insurance and service benefit insurance. Under cash indemnity insurance the insured person who suffers the loss files a claim and receives indemnification up to the amount stated in his policy, which is, however, not necessarily equivalent to the total amount of his loss. With service benefit insurance it is usual for the insured person to receive the benefit (the "service"), without paying the bill directly and without subsequently filing a claim. This procedure is possible either because the insurer has made financial arrangements with the providers of services, such as the hospital in the case of Blue Cross plans or the physician in the case of Blue Shield plans, or because the plan itself provides the services through its own staff of physicians and/or hospital facilities.

In the order of availability to the public, insurance providing cash indemnification to the insured person ranks foremost. Such insurance is provided by commercial group and individual accident and health and

life insurance companies, including both stock and mutuals. It is also made available by some nonprofit hospitalization and/or surgical plans and by some employers, employee groups, unions, and fraternal societies. The insurance may provide protection against one or more of the following risks: loss of income, hospitalization, surgical operations, medical care, and—to a limited degree—dental and nursing care. The maximum amount of indemnification for the particular benefit is usually stated in the policy.

Service benefit insurance is applicable to medical care costs but not to income loss. It is usually subdivided into "indirect" and "direct" service types. Blue Cross and Blue Shield plans are of the indirect type, since they contract with a third party—the hospitals or the physicians—to provide the service benefits. In some Blue Cross and Blue Shield plans the arrangements to make the payment to a third party are the only inherent difference between their form of insurance and cash indemnity insurance, since their contracts do not

Table 1.—Income loss due to illness, 1948-53<sup>1</sup>

[In millions, except average income loss per worker]

Item	1948	1949	1950	1951	1952	1953
Average number of employed workers <sup>2</sup>	59.7	59.1	60.4	61.4	61.7	61.9
Average income loss per worker <sup>3</sup>	\$76.65	\$78.26	\$82.60	\$80.11	\$94.08	\$98.56
Total income loss from illness	\$4,576	\$4,625	\$4,980	\$5,471	\$5,805	\$6,101
Net cost of income loss insurance (addition) <sup>4</sup>	267	276	297	303	317	374
Paid sick leave (subtraction) <sup>5</sup>	290	296	312	333	347	350
Net income loss from illness	4,553	4,605	4,974	5,441	5,775	6,125
Potentially insurable income loss <sup>6</sup>	3,013	3,051	3,290	3,586	3,800	4,047
Potentially compensable income loss <sup>7</sup>	2,099	2,127	2,293	2,493	2,640	2,824

<sup>1</sup> Short-term or temporary non-work-connected disability (lasting not more than 6 months) and the first 6 months of long-term disability. Data for years before 1953 revised to reflect newly available data from the Bureau of the Census on annual average number of employed persons.

<sup>2</sup> Annual average of employed persons, from Bureau of the Census, *Current Population Reports, Labor Force*, Series P-57, No. 19, table 1, and No. 45, table A; Series P-57, Nos. 127-129, table 1.

<sup>3</sup> Average wage or salary for 7 workdays in a year, obtained by dividing the average annual earnings per worker (table 26, *Survey of Current Business*, National Income Number, July 1953, and unpublished data for 1953) by 255 workdays in a year and multiplying this average daily wage by 7.

<sup>4</sup> The difference between premiums earned and losses incurred, from table 2.

<sup>5</sup> Estimated number of persons covered by paid sick leave and related provisions from *Annual Survey of Accident and Health Coverage in the United States*, Health Insurance Council, each year 1948-53. Assumes that this number of persons (8.4 million in 1948-50, dropping to 7.9 million in 1953) received the equivalent of 45 percent of their total income loss due to illness.

<sup>6</sup> Total income loss reduced by 40 percent (to exclude both the first week of disability and otherwise insurable income loss covered by paid sick leave) and increased by the net cost of current income-loss insurance.

<sup>7</sup> Of the potentially insurable income loss (excluding net cost of income-loss insurance), two-thirds is assumed to be potentially compensable and then increased by net cost of income-loss insurance.

Table 2.—*Premiums, benefit payments, and loss ratios for commercial and other private insurance against income loss, 1948-53*

[Amounts in millions]

Item	1948	1949	1950	1951	1952	1953
Premiums earned <sup>1</sup>						
Total <sup>2</sup>	\$545	\$588	\$671	\$777	\$853	\$975
Group insurance <sup>3</sup>	175	210	284	372	399	448
Individual insurance <sup>3</sup>	346	352	355	368	409	474
Other <sup>4</sup>	24	26	32	37	45	53
Losses incurred <sup>1</sup>						
Total <sup>2</sup>	\$278	\$312	\$374	\$474	\$536	\$601
Group insurance <sup>3</sup>	124	147	203	295	327	364
Individual insurance <sup>3</sup>	139	148	151	155	179	202
Other <sup>4</sup>	15	17	20	24	30	35
Loss ratios (percent)						
Total	51.0	53.1	55.7	61.0	62.8	61.6
Group insurance	70.9	70.0	71.5	79.3	82.0	81.3
Individual insurance	40.2	42.0	42.5	42.1	43.8	42.6
Other	62.5	65.4	62.5	64.9	66.7	66.0

<sup>1</sup> Premiums and losses include accident only and travel accident insurance. They also include private insurance company operations and self-insured arrangements under public laws but exclude payments from public funds. (See table 3 for details.)

<sup>2</sup> No reduction made in the premiums or losses of individual insurance for accidental death and dismemberment provisions in policies that insure against income loss. (Estimate by the Health Insurance Council indicates that such reductions on losses would be about \$30 million for 1953.) Resulting overstatement of income-loss insurance is assumed to offset understatement arising from omission of current short-term income-loss insurance in automobile, resident liability, life, and other policies.

<sup>3</sup> Premiums earned for income-loss and medical care insurance combined (separately for group and individual contracts), obtained from the *Spectator Accident Insurance Register*, 1949-54. Premiums for group policies were adjusted to eliminate Canadian business and to the level of total premiums according to Life Insurance Association of America charts (*Group Insurance and Group Annuity Coverage, Continental U. S.*, 1948-53) after excluding premiums for accidental death and dismemberment; premiums were then distributed between income-loss and medical care insurance on the basis of these charts. Premiums for individual policies were adjusted to eliminate life insurance and Canadian business and

to the level of total premiums as derived from data in the U. S. Chamber of Commerce surveys (*American Economic Security*, July-August 1949-54); premiums were then distributed between income-loss and medical care insurance by reference to the mean amount of coverage shown in survey. Data include dividends and rate credits, mainly for group policies, and were adjusted for duplication within categories.

<sup>4</sup> Includes estimates for fraternal societies, union health and welfare funds, and employee mutual benefit associations, and for self-insurance under the California, New Jersey, and New York temporary disability insurance laws and elsewhere. Information on fraternal accident and health business supplied by *The Fraternal Monitor*. Division between income-loss and medical care insurance estimated.

<sup>5</sup> Losses incurred, as reported by the *Spectator* for income-loss and medical care insurance combined, reduced by 1.9 percent (1.6 percent in 1953) of premiums earned for group policies and 2.8 percent for individual policies to eliminate adjustment costs. Loss ratios, furnished by the Health Insurance Council separately for group and individual insurance for hospital and surgical-medical care and for income loss, were used to derive losses incurred for each risk; these figures were then raised or lowered slightly to yield the aggregate losses for all three risks combined.

attempt to guarantee that the payment to the physician or the hospital will cover most or all of the charges made to the patient. Other Blue Cross and Blue Shield plans do make such a guarantee, subject to the limits of their contractual obligations—that is, the benefits they agree to furnish. Blue Shield plans providing service benefits guarantee, however, that the amount they pay the physician after he has provided the service will cover the entire bill only if the patient's income is less than a specified limit, which varies among the plans. In other words, the physician agrees that his charges will amount to no more than the payment set forth in

the fee schedule of the policy only if the patient's income is under the "ceiling." When the patient's income is more than this stated amount, the payment of the fee schedule amount to the physician becomes in effect a cash indemnification even though made to the physician rather than the patient; the physician may bill the patient directly for the difference between his actual charges and the fee schedule.

Direct service plans, as their name implies, furnish the insured person with medical and/or hospital services. They show less uniformity in the benefits they provide than do the cash indemnity or indirect service

plans, which confine their benefits to cash sickness, hospitalization, surgical and maternity care, and a limited amount of medical care, mainly in connection with a hospitalized illness. The direct service benefit plans vary in the scope of their benefits from the provision of complete hospital care, medical care in the hospital, clinic, and patient's home, and dental care to the provision of diagnostic and preventive care only, or only dental care, hospital care, or ambulatory medical care. They likewise vary in the extent to which they make extra charges to the patient at the time he receives services.

The differences among companies and plans in the method of providing protection against the costs of sickness and the differences in the scope of the protection—whether geared to meet the entire cost of the illness or indemnify a part of the loss—are two of the elements making evaluation of health insurance in terms of persons protected or types of risks covered less meaningful than they appear to be on casual inspection.

Starting in 1950 with data for 1948, the Social Security Administration has measured certain quantitative aspects of voluntary health insurance by an appraisal technique based on the dollar value of the protection afforded, measured against the current costs of sickness in the United States. This article—the sixth in the series—covers the 6 years 1948-53 and incorporates the results of a special survey, made in 1954 by the Division of Research and Statistics, of the prepayment income and expenditures for medical care among 306 providers of health insurance benefits who are neither affiliated with the Blue Cross or Blue Shield Commissions nor classified as commercial insurance carriers.<sup>1</sup> As a result, data on the independent plans are more exact for 1953 than for the years between this survey and one made by the Division of Research and Statistics in 1950; the 1951 and 1952 figures for independent plans as they appear in this year's article have been revised to bring them in line with the findings for 1953.

<sup>1</sup> The results of this survey will be published early in 1955 in the *Bulletin* and more fully at a later date in a monograph.

Table 3.—Temporary disability insurance under public laws, 1948–53  
[In millions]

Benefits, net cost, and income loss	1948	1949	1950	1951	1952	1953
Cash sickness insurance:						
Benefits, total	\$66.4	\$89.2	\$117.4	\$174.2	\$202.3	\$231.8
Public plans <sup>1</sup>	57.1	62.1	63.2	60.9	74.5	91.6
Private plans <sup>2</sup>	9.3	27.1	54.2	113.3	127.8	140.2
Net cost, total	30.2	32.6	28.4	40.1	35.9	35.9
Public plans <sup>3</sup>	27.5	24.5	13.0	16.6	12.9	9.7
Private plans <sup>4</sup>	2.7	8.1	15.4	23.5	23.0	26.2
Income loss under public provisions (estimated) <sup>5</sup>	455.0	505.0	1,053.0	1,167.0	1,243.0	1,327.0
Hospital and medical care insurance:						
Benefits, total		6.5	11.0	13.4	16.2	
Public plans <sup>6</sup>		2.7	2.6	3.3	3.7	
Private plans <sup>7</sup>		3.8	8.4	10.1	12.5	

<sup>1</sup> Under the Railroad Unemployment Insurance Act and the laws of Rhode Island, California, New Jersey (beginning 1949), and New York (beginning 1950). Not included in data in table 2.

<sup>2</sup> Under laws of California, New Jersey (beginning 1949), and New York (beginning 1950). Group insurance plans except for 8-10 percent that are self-insured. These amounts are included in data in table 2.

<sup>3</sup> In the early years of the programs in California and New Jersey some of the excess of contributions

over expenditures was used to establish a reserve.

<sup>4</sup> Assumed that the loss ratio for group insurance and self-insurance under the public laws is the same as that shown in table 2 for group insurance each year.

<sup>5</sup> Adjusted for paid sick leave in the covered population.

<sup>6</sup> Hospital benefits in California.

<sup>7</sup> Hospital benefits in California and hospital, surgical, and medical benefits in New York.

### Income Loss Due to Illness

In thinking of the costs of sickness to an individual, there is a tendency to consider only expenditures for medical and hospital care and for insurance against these two types of costs, and to overlook the cost occurring through loss of income and the purchase of income-loss insurance. Actually income loss due to illness, if it is broadly enough defined, can become the largest item in the personal costs of sickness. As used in this study, however, the estimate of income loss is confined to that attributed to nonoccupational illness and injury and reflects only current income loss from short-term or temporary disability and the first 6 months of extended disability. It does not therefore encompass the loss of future earnings arising from extended or permanent disability or premature death. As thus defined, it accounts for about two-fifths of the annual costs of sickness.

The derivation of the estimate of income loss for the 6 years 1948–53 is shown in table 1. The gross figures cover income loss from nonoccupational illness and injury, whether or not such losses were compensable. The table shows that, assuming an average of 7 days lost from work on account of illness during the year, the loss per worker amounted to \$76.65 in 1948, \$94.08 in 1952, and \$98.56 in 1953. When the 1953 figure is applied to the 1953 labor force of nearly 62 million, it yields a gross estimate of

\$6,101 million in lost income, which may be compared with a loss of \$4,576 million in 1948. The gross figures require adjustment each year (table 1) for paid sick leave and for the net cost of income-loss insurance purchased (table 2).

After these subtractions and additions, the net income loss due to non-work-connected illness and the first 6 months of longer-term illness was \$6,102 million in 1953. The 1953 figure represents a rise of 6 percent from 1952, an increase of the same magnitude as occurred the preceding

year; it was 35 percent greater than the 1948 total.

The figure on potentially insurable income loss takes into account the fact that most accident and health insurance policies currently available for purchase restrict their benefits by not undertaking to cover the first few days or the first week of sickness (though they may do so in the case of accidents). The potentially insurable portion of the net income loss is estimated to have been \$4,047 million in 1953 (see table 1, footnote 6).

A guiding principle of current insurance practice is that compensation should never represent more than 50–75 percent of actual income loss. By assuming that on the average the potentially compensable loss amounts to two-thirds of the potentially insurable loss, the estimate for 1953 equals \$2,814 million (see table 1, footnote 7).

### Insurance Against Income Loss

Ninety-five percent of current protection against income loss is provided by accident and health policies sold on a group or individual basis by commercial insurance companies. The remaining 5 percent is derived from self-insured plans of employers, employees, and unions, and from employee benefit organizations and

Table 4.—Private expenditures for medical care, 1948–53<sup>1</sup>

Item	1948	1949	1950	1951	1952	1953
Total	\$7,193	\$7,552	\$8,117	\$8,586	\$9,235	\$9,866
Hospital services <sup>2</sup>	1,663	1,858	2,121	2,283	2,561	2,825
Physicians' services <sup>3</sup>	2,233	2,342	2,467	2,562	2,718	2,859
Dentists' services	833	857	869	888	906	943
Other professional services <sup>4</sup>	423	448	476	498	532	562
Medicines and appliances	1,785	1,798	1,885	2,048	2,130	2,192
Administrative and other net costs of medical care insurance <sup>5</sup>	256	249	299	307	389	485
Insurance for hospital services	192	168	189	188	232	284
Insurance for physicians' services	64	81	110	119	157	201

<sup>1</sup> Except where otherwise noted, data are from the Department of Commerce, 1951 *National Income Supplement to Survey of Current Business*, table 30. Excludes medical care expenditures for the Armed Forces and veterans, those made by public health and other government agencies and under workers' compensation laws, and direct expenditures for services by private philanthropic organizations. Includes expenditures by industry for the employers' share of health insurance premiums.

<sup>2</sup> Computed from data in *Hospitals*, June of each year 1949–54. Based on income from patients for each year ending September 30 in all types of general and special short-term hospitals. Data are projected to December 31 of each year, and additions have been made for (1) nonregistered hospitals, and (2) estimated income from patients received by general and

special long-term hospitals, mental and allied hospitals, and tuberculosis sanatoriums. Amount of private expenditures is overstated by an unknown amount representing payments to nonprofit hospitals on behalf of individual patients by government and welfare agencies and workers' compensation funds. Data are understated in that no estimate has been included for private expenditures for care in private nursing homes.

<sup>3</sup> Addition made each year to figure reported in *Survey of Current Business* for salaries of physicians employed in prepayment medical service plans.

<sup>4</sup> Comprises services of osteopathic physicians, chiropractors and podiatrists, private duty trained nurses, and miscellaneous curative and healing professions.

<sup>5</sup> Data from table 5.

Table 5.—*Premiums, benefit payments, and loss ratios for voluntary insurance against the costs of medical care, 1948-53*<sup>1</sup>

[Amounts in millions]

Item	1948	1949	1950	1951	1952	1953
Earned income						
Total	\$862	\$1,016	\$1,291	\$1,660	\$1,903	\$2,405
Hospital services	647	707	889	1,085	1,306	1,572
Physicians' services	215	309	422	575	687	833
Expenditures for benefits						
Total	\$606	\$767	\$992	\$1,353	\$1,604	\$1,919
Hospital services	455	539	680	897	1,074	1,287
Physicians' services	151	228	312	456	530	632
Loss ratios (percent)						
Total	70.3	75.5	76.8	81.5	80.5	79.8
Hospital services	70.3	76.2	78.3	82.7	82.2	81.9
Physicians' services	70.2	73.8	73.9	79.3	77.1	75.9

<sup>1</sup> Data for 1948-51 summarize detailed presentations in earlier articles in this series; data for 1952 revised; data for 1953 from table 6. The term "physicians' services" covers the services of surgeons (the largest component) and other types of physicians, including roentgenologists, and a small amount

of dental, nursing, and related services and appliances. The term "hospital services" covers some services other than those received from hospitals, such as X-ray services not furnished as part of the hospital services, and emergency accident care.

Table 6.—*Income and expenditures for medical care benefits of voluntary insurance by type of carrier or plan, 1953*

[Amounts in millions]

Type of insurance carrier or plan	Earned income			Expenditures for benefits <sup>1</sup>			Benefits as percent of income
	Total	For hospital services <sup>2</sup>	For physicians' services <sup>3</sup>	Total	For hospital services <sup>2</sup>	For physicians' services <sup>3</sup>	
Total	\$2,404.6	\$1,571.3	\$833.3	\$1,919.2	\$1,287.0	\$632.2	79.8
Blue Cross plans <sup>4</sup>	708.4	693.0	15.4	626.8	613.8	13.0	88.5
Blue Shield plans <sup>4</sup>	280.2	11.3	268.9	224.7	9.9	214.8	80.2
Other medical society sponsored plans <sup>5</sup>	10.0	4.0	6.0	9.0	3.4	5.6	90.0
Other nonprofit plans:							
Community	56.3	33.1	23.2	48.0	28.9	19.1	85.3
Consumer-sponsored	7.8	4.0	3.8	5.8	2.9	2.9	81.7
Fraternal society <sup>6</sup>	12.1	5.6	6.5	10.8	6.1	4.7	89.3
Employer and/or employee	49.6	26.9	22.7	47.7	26.3	21.4	96.2
Union health and welfare <sup>7</sup>	76.7	44.8	31.9	70.2	42.7	27.5	91.5
Student health services <sup>8</sup>	5.0	2.0	3.0	5.0	2.0	3.0	100.0
Private group clinics with pre-payment	17.8	7.3	10.5	16.5	6.3	10.2	92.7
Commercial plans <sup>9</sup> :							
Group insurance	722.6	432.7	289.9	625.8	384.6	241.2	88.6
Individual insurance	458.8	307.0	151.8	228.9	160.1	68.8	50.0

<sup>1</sup> Benefits paid, for nonprofit and other organizations; losses incurred, for commercial insurance.

<sup>2</sup> Includes some income or expenditures for outpatient services.

<sup>3</sup> Includes some income or expenditures for services other than those received from physicians (nurses, dentists, laboratories, etc.).

<sup>4</sup> Includes amounts paid through private plans under the State temporary disability insurance laws of California and New York (see table 3).

<sup>5</sup> Addition made to the data reported by the Blue Cross Commission for Health Services, Inc. Data for medical-surgical insurance for 5 combined Blue Cross-Blue Shield plans shown under Blue Shield plans. Division between hospital and physicians' services estimated for 3 of the 9 Blue Cross plans that write both types of insurance on the basis of enrollment and premiums for each type.

<sup>6</sup> Excludes amounts for hospital insurance of 5 Blue Cross-Blue Shield plans. Includes hospital insurance among 7 Blue Shield plans; division between hospital and physicians' services estimated for 1 of these plans on basis of past reporting.

<sup>7</sup> Covers 4 nonprofit plans sponsored or controlled by medical societies; excludes plans underwritten by commercial insurance companies.

<sup>8</sup> Represents amounts reported in 1954 survey of such plans by Social Security Administration and estimates for nonrespondents.

<sup>9</sup> Covers only those funds or portions of funds used for the direct purchase of medical care without an intermediary insurance company or plan.

<sup>10</sup> Estimated.

<sup>11</sup> See footnotes 3 and 5 of table 2 for the method of developing these figures.

fraternal societies. Table 2 shows data for the years 1948-53 for all types of nongovernmental organizations insuring against income loss. A total of \$975 million is estimated to have been paid for income-loss premiums in 1953, and \$601 million was received in benefits. The net cost of income-loss insurance—the difference between premiums earned and losses incurred—amounted to \$374 million in 1953; the benefits amounted to 62 percent of the premiums. In comparison with 1952, benefits had increased by \$65 million, or 12 percent, and the premium cost had gone up \$122 million or 14 percent.

Private insurance company and self-insured operations of the State temporary disability insurance programs in California, New Jersey, and New York are included in the estimates in table 2. These private operations under public laws accounted for 24 percent of the total benefits paid for income loss in both 1952 and 1953. Publicly provided insurance is not included in these data. To permit consideration of the significance of both publicly and privately provided insurance under these public laws, and publicly provided insurance under the Rhode Island temporary disability insurance law and the Railroad Unemployment Insurance Act, table 3 has been prepared. These data permit adjustment of the private insurance benefits under public laws, as well as the adjustment of the income loss due to sickness, so that the results may, if desired, be confined to the entirely voluntary field or alternatively encompass the public provisions. If the benefits under public laws are excluded, the adjustment reduces the percentage of potentially insurable and potentially compensable income loss met by voluntary insurance by less than 1 percent, and so it is not shown in this year's analysis.<sup>2</sup>

### Private Expenditures for Medical Care

The Department of Commerce makes annual estimates of personal expenditures for medical care, revising the data periodically for its annual reporting of national income and

<sup>2</sup> See the *Bulletin* for December 1953 for a detailed explanation of the adjustment.

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Table 7.—Income loss, private expenditures for medical care, and insurance benefits through all voluntary insurance carriers, 1948, 1952, and 1953

[Amounts in millions]

Benchmark <sup>1</sup>	1948		1952		1953		Percentage of sickness costs met by insurance		
	Income-loss and/or medical care expenditures	Voluntary insurance benefits	Income-loss and/or medical care expenditures	Voluntary insurance benefits	Income-loss and/or medical care expenditures	Voluntary insurance benefits	1948	1952	1953
Income loss:									
Income loss only	\$4,553	\$278	\$5,775	\$536	\$6,125	\$601	16.1	9.3	9.8
Potentially insurable income loss (with 1-week waiting period)	3,013	278	3,800	536	4,047	601	14.1	14.1	14.9
Potentially compensable income loss	2,099	278	2,640	536	2,824	601	13.2	20.3	21.3
Medical care:									
Total medical care expenditures	7,193	606	9,236	1,604	9,866	1,919	8.4	17.4	19.5
Hospital services only <sup>2</sup>	1,855	455	2,793	1,074	3,109	1,287	24.5	38.5	41.4
Physicians' services only	2,297	151	2,875	530	3,060	632	6.6	18.4	20.7
Hospital and physicians' services only <sup>3</sup>	4,152	606	5,668	1,604	6,169	1,919	14.6	28.3	31.1
Medical care expenditures currently insurable under some comprehensive plans <sup>4</sup>	5,164	606	6,787	1,604	7,331	1,919	11.7	23.6	26.2
Medical care expenditures potentially insurable under present forms of voluntary health insurance <sup>5</sup>	5,780	606	7,528	1,604	8,092	1,919	10.5	21.3	23.7
Combined Income loss and medical care:									
Income loss plus total medical care expenditures <sup>6</sup>	11,746	884	15,011	2,140	15,991	2,520	7.5	14.3	15.8
Income loss plus hospital and physicians' services only <sup>7</sup>	8,705	884	11,443	2,140	12,294	2,520	10.2	18.7	20.5
Potentially insurable income loss and potentially insurable medical care expenditures <sup>8</sup>	8,793	884	11,329	2,140	12,139	2,520	10.1	18.9	20.8
Potentially compensable income loss and potentially insurable medical care expenditures <sup>9</sup>	7,879	884	10,169	2,140	10,916	2,520	11.2	21.0	23.1

<sup>1</sup> Except as noted, represents estimated income loss or private expenditure for medical care (from tables 1 and 4) *plus* appropriate addition for net costs of insurance (from tables 2 and 5).

<sup>2</sup> If the benefits from public funds under the temporary disability insurance laws had been included in the benefits and the net costs of operating public funds added to the benchmarks (using data in table 3), these percentages would be 13 (1948), 10.5 (1952), and 11.3 (1953).

<sup>3</sup> Both expenditures and insurance benefits contain some expenditures included in hospital services that were outpatient services.

<sup>4</sup> Slight overstatement because total benefit payments—but not the benchmark—unavoidably include some payments for services other than those received from physicians (nurses, dentists, laboratories, etc.).

product. The data that furnish the basis for most of the figures shown in table 4 for 1948–53 were extensively revised by the Department of Commerce in 1954, and items previously shown separately have been grouped and consolidated. As in previous articles in the series, certain adjustments and/or substitutions have been made in these data for (1) expenditures for physicians' services, (2) expenditures for hospital services, and (3) the net cost of medical care insurance (see footnotes to table 4 for details).

Table 4 gives the revised figures for expenditures for medical care for each of the 6 years 1948–53. The civilian population spent about \$9.9 billion for medical care in 1953—an increase from 1952 of \$630 million or 6.8 percent; the expansion was slightly less than that in the preceding year, when expenditures rose 7.9 percent. Since 1948, expenditures for medical care have gone up 37 percent and

expenditures for hospital services have shown a 70-percent increase. Expenditures for physicians' services, on the other hand, rose only 28 percent in the 6 years.

### Insurance Against Medical Care Costs

The financial operations of all voluntary medical care insurance during the 6-year period 1948–53 are summarized in table 5. Earned insurance income increased by 180 percent; hospitalization insurance income increased by 143 percent; and that for physicians' services, which was relatively low in the first year reported by the series, went up 289 percent. The increases reflect the addition of many more insured persons, improvements in benefits, and the rising costs of premiums and benefits in this far from static field. The net costs of medical care insurance (shown in table 4) have increased less rapidly than either income or benefits; the

<sup>5</sup> Includes total expenditures for services of physicians, hospitals, and dentists and one-tenth of the expenditures for drugs, *plus* the net cost of medical care insurance.

<sup>6</sup> Includes total expenditures for services of physicians, hospitals, dentists, and nurses *plus* one-third the expenditures for drugs and appliances *plus* the net cost of medical care insurance.

<sup>7</sup> Combines lines 1 and 4.

<sup>8</sup> Combines lines 1 and 7.

<sup>9</sup> Combines lines 2 and 9.

<sup>10</sup> Combines lines 3 and 9.

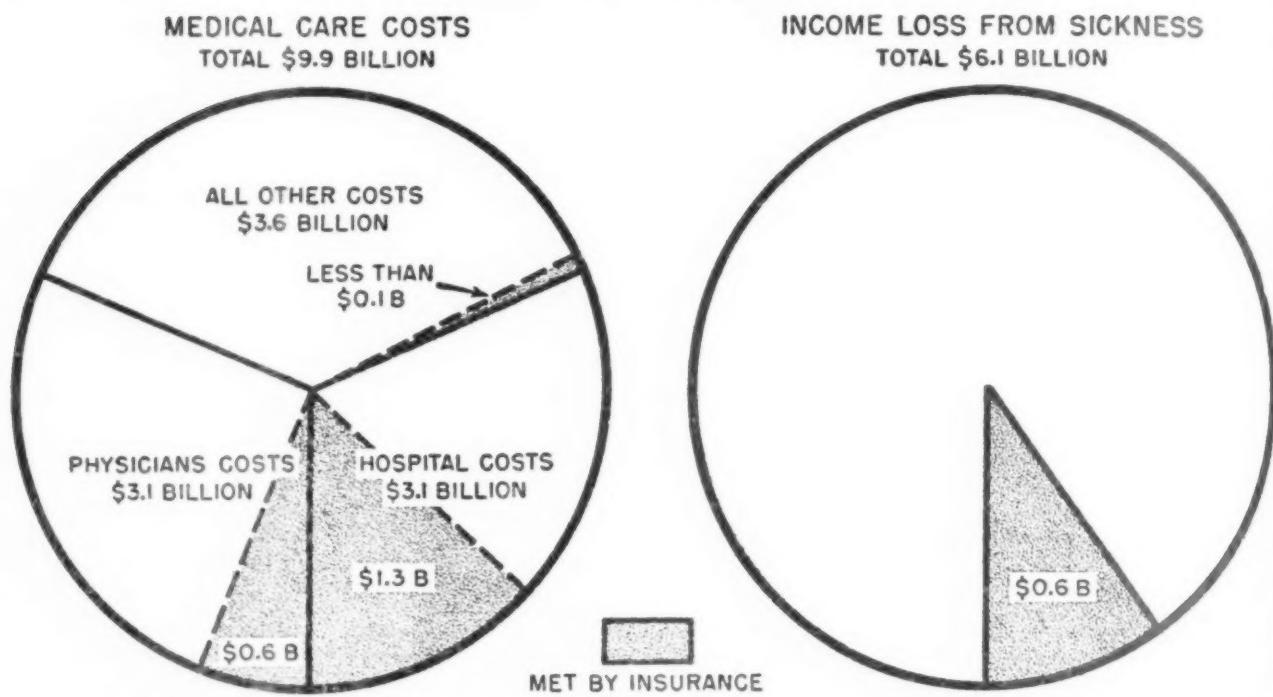
ratio of expenditures for benefits to earned income has risen in the 6 years so that about 10 cents more per dollar of premium was returned as benefit payments in 1953 than in 1948.

Table 6 provides a more detailed analysis of the 1953 financial data on voluntary medical care insurance, by type of insurance carrier or prepayment plan.<sup>11</sup>

Among all insurance carriers and plans, hospitalization insurance accounted for 65 percent of the total premium income in 1953 and 67 percent of the expenditures for benefits, with the balance applicable to insurance against physicians' services. There has been no material change in this distribution between hospitalization insurance and that for physicians' services since 1949—an

<sup>11</sup> For corresponding data for earlier years, see the *Bulletin* for December 1953, December 1952, December 1951, and January–February 1950.

Chart 1.—*Costs of sickness and voluntary health insurance benefits, 1953*



indication that the expansion of the two types has been at a similar rate.

In 1953, for the first time, the total earned premiums of group accident and health insurance companies exceeded those of plans affiliated with the Blue Cross Commission; their total benefit expenditures, however, were just below those of the Blue Cross plans. In the field of provision of hospitalization insurance Blue Cross maintained its leadership. Benefit payments of Blue Cross plans accounted for 48 percent of all hospitalization benefits paid in 1953 and 44 percent of total hospitalization income. Commercial group insurance was the leading provider of insurance against the costs of physicians' services, with Blue Shield ranking second. These two types of insurers accounted for roughly 70 percent of the insurance provided in 1953 against the cost of physicians' services. Since, of course, much of the insurance purchased from Blue Shield or commercial companies applies to surgical services, the small extent to which nonsurgical medical care is covered by insurance is readily apparent. Plans not connected with Blue Cross, Blue Shield, or commercial insurance organizations made about 15 percent

of the benefit payments for physicians' services; it is this group of plans that provides most of the insurance for home and office and diagnostic and preventive services.

The data in table 6 include about \$15 million in premium income and \$12.5 million in expenditures for benefits resulting from insurance provided through private carriers under the public temporary disability insurance laws in California and New York relating to medical care benefits. The table does not show the \$3.7 million paid from the State fund in California for hospitalization under its temporary disability insurance law.

#### Trends in Insurance Protection

The dollar amounts of income loss and of private medical care expenditures for 1948-53 are shown in tables 1 and 4. Tables 2 and 5 give the dollar volume of voluntary insurance against these losses or expenditures. Table 7 summarizes the basic data on sickness costs and insurance benefits and shows the value of the prevailing insurance for each of the 3 years 1948, 1952, and 1953 in terms of the percentage of sickness costs met by insurance.

The first section of table 7 meas-

ures voluntary insurance protection against income loss due to sickness. Benefit payments for income loss in the 6-year period have risen 116 percent—from \$278 million in 1948 to \$601 million in 1953—while total (net) income loss increased 34 percent. Insurance, which met 6.1 percent of the income loss in 1948, was meeting 9.8 percent in 1953 (line 1). Had the data not been confined to protection furnished through voluntary (private) provisions, and had payments from public funds been included in the benefits, the percentage of income loss met by insurance would have been 11.3 (see footnote 2 of table 7). When measured against potentially insurable income loss, the percentage met by insurance was 14.9 in 1953, nearly 6 percent higher than in 1948. If the index is further narrowed to include only potentially compensable income loss, 21.4 percent was covered by insurance benefits in 1953 and 13.2 percent in 1948.

The figures in table 7 include the income loss of persons protected by the public laws and the amounts paid by private insurance companies or self-insurers with respect to coverage under the compulsory temporary disability insurance laws. The adjust-

ments necessary to exclude these amounts may be made from data presented in table 3. These adjustments reduce by less than 1 point the percentage figures for 1952 and 1953; the volume of compulsory income-loss insurance was negligible in 1948 so that the adjustments would not alter the earlier figures.

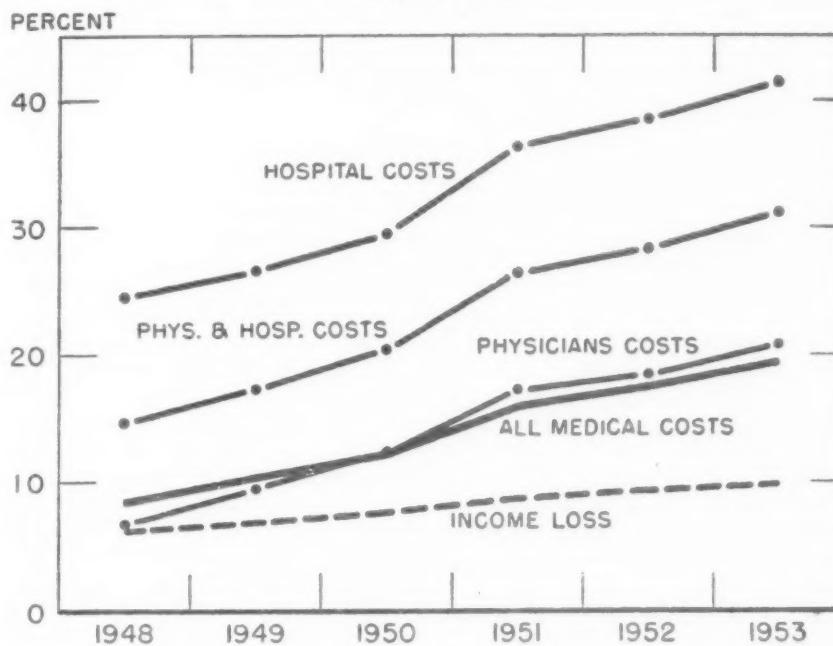
The second section of table 7 includes six alternative benchmark figures for expenditures for medical care against which voluntary medical care insurance may be measured. Private expenditures for medical services of all kinds increased from \$7.2 billion in 1948 to \$9.9 billion in 1953. The benefits provided by insurance covered 19.5 percent of the 1953 expenditures and 8.4 percent of those in 1948; the increase has thus been at an average rate of nearly 2 percentage points a year. The percentage of physicians' bills met by insurance has gone up slightly more than 2 points a year and that of hospital costs slightly less than three points a year.

Certain prepayment plans, including those classified as private group practice plans in table 6 and, in addition, a few of the consumer, community, union, and employer-employee plans, provide a wide range of prepaid benefits, such as physicians' services in the home, office, and hospital, diagnostic services, dental care, and drugs, as well as hospitalization. Line 8 of table 6 gives a benchmark made up of items potentially insurable under such comprehensive prepayment plans. Insurance payments met 26.2 percent of this total in 1953, in contrast to 11.7 percent in 1948.

As nearly as possible the benchmark in line 9 of the table represents the types of benefits available through the relatively new "major medical expense" policies or through a combination of the more usual forms of voluntary insurance and of "major medical expense" (or "catastrophic") insurance; under either of these arrangements, some insurance protection would be provided for the costs of nursing services, expensive drugs and appliances, and physical restoration. By 1953 voluntary insurance benefits were meeting nearly 24 percent of this benchmark.

To complete the picture of the ex-

Chart 2.—Percentage of costs of sickness met by voluntary health insurance benefits, 1948-53



tent of sickness costs met by insurance, the third section of the table contains four benchmarks combining income loss and medical care expenditures. If total income loss and total medical care expenditures are combined, it appears that 15.8 percent of the \$16 billion private cost of sickness in 1953 was met by insurance benefits of \$2.5 billion (line 10). The average increase in percentage points in the 6 years has been less than 1.5 percent annually. When the benchmarks are narrowed the proportion met by insurance increases, but the rate of expansion has remained at 2 percent or slightly less each year.

This yearly analysis affords a means of measuring the present extent and growth of voluntary health insurance divorced from considerations of population growth, changes in the cost of medical care and the level of income, and the adequacy of the particular benefits for which insured persons are eligible. In terms of premium income and expenditures for benefits, voluntary health insurance has shown a remarkable growth, but as chart 1 shows, the extent of insurance protection currently provided varies markedly according to the risk.

Recognizably, increase in the dollar

volume of insurance is partly offset by increases in the population and in the costs of sickness. The more than threefold expansion in insurance benefit amounts for medical care has therefore yielded in the past 6 years only slightly more than a twofold expansion in the effective insurance protection (a 217-percent increase in benefits and a 133-percent increase in the percentage met by insurance). Income-loss insurance has expanded more slowly than medical care insurance so that benefits have increased 116 percent, while the effective protection has risen only 61 percent in the 6-year period.

Chart 2 shows 6-year trends in the percentages of various sickness costs met by insurance. It is only in the field of hospital costs that voluntary insurance benefits have begun to reveal a significant relationship between the proportion of the population insured and the proportion of the Nation's medical bills met by insurance. On balance, even though more than half the population reportedly has some kind or amount of voluntary health insurance, most of the costs of sickness incurred annually by the civilian population as a whole are still met at the time they occur and not through prepayment.

# *Old-Age and Survivors Insurance: Retirement Test Under the 1954 Amendments*

by ROBERT J. MYERS\*

*On September 1, President Eisenhower signed the Social Security Amendments of 1954 (Public Law No. 761). The new law makes major changes in the retirement test, which in various forms has been a condition for receipt of benefits ever since Congress passed the Social Security Act in 1935. The philosophy underlying the provisions and the changes made by the 1954 amendments are reported in the following pages.*

THE old-age and survivors insurance program provides benefits that are essentially of two separate types—retirement benefits for workers aged 65 and over and survivor benefits paid in the event of an insured worker's death at any age. In line with the philosophy on which the social security program is based, a retirement test is imposed for the receipt of benefits; in general, benefits are not paid when the individual—whether a retiree or a survivor beneficiary—is engaged in substantial employment. (The term "retirement test" is to some extent, of course, a misnomer when the reference is to a young beneficiary.) The major emphasis in the article that follows is on the application of the test to aged beneficiaries.

## *History and Philosophy*

The retirement test has been present in one form or another in the old-age and survivors insurance program ever since the original law was passed in 1935.<sup>1</sup> The major reason for the test is that the program was designed to provide social insurance against presumed loss of earnings due to retirement from employment rather than, like private insurance, to provide annuities at a prescribed, fixed age.

If benefits were payable automatically on the individual's attainment

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<sup>1</sup> For a detailed history of the retirement test provisions in the various laws, see Robert J. Myers, "Basis and Background of the Retirement Test," *Social Security Bulletin*, March 1954.

of age 65 rather than only on retirement at age 65 or later, the increased cost would be more than 1 percent of taxable payroll now and somewhat higher later. Accordingly, if there were no retirement test, one of two alternatives would be necessary. Either the contribution income would have to be raised, or the general benefit level would have to be lowered. Neither alternative seems desirable.

In addition, there is no social necessity for paying benefits to individuals who are in full-time employment, although there may be reasons for paying partial or full benefits to those in part-time or intermittent employment. It is here that the real problem exists.

## *Test Under 1952 Law*

Under the 1952 amendments to the Social Security Act, retirement benefits were payable between the ages of 65 and 75 to a person with insured status if he was substantially retired. After attainment of age 75, benefits were paid regardless of retirement. The latter provision was, of course, an exception to the general rule that benefits were paid only upon retirement. Relatively few persons, of course, work beyond age 75, and it was apparently the philosophy of Congress that the few who are so employed should receive some assurance of benefits. In addition, payment of benefits to those aged persons who continued to work did not involve a high cost.

The test of substantial retirement under the 1952 law was applied differently for wage earners and the self-employed, but for both it related

only to earnings in covered employment. If a worker between the ages of 65 and 75 earned covered wages of more than \$75 in a month, his benefits and those of his dependents were suspended for that month. A month-by-month suspension of benefits is not feasible for self-employed persons, who are generally able to determine their net earnings only on a taxable-year basis. Self-employed persons under age 75 were considered to be retired if, throughout the year, their covered self-employment earnings were not more than \$900. For each unit of \$75 or fraction thereof in excess of \$900, the beneficiary could lose 1 month's benefit for himself and his dependents. When an individual eligible for benefits for all 12 months of a year had self-employment earnings of \$901-\$975, for example, 1 month's benefit could be withheld; when such earnings were \$976-\$1,050, 2 months' benefits could be withheld; and so on until, when earnings were \$1,651-\$1,725, 11 months' benefits could be withheld. The number of monthly benefit deductions could not, however, exceed the number of months during which the person was substantially self-employed.

Withholding of benefits for wages and withholding for self-employment earnings did not take place concurrently. A person with self-employment earnings of \$950 in a year and wages of more than \$75 in one particular month would have 2 months' benefits withheld unless he had engaged in substantial self-employment only in the month in which he earned the wages.

The test in the 1952 law had a "double-exemption" feature; that is, it applied separately to wages and to self-employment earnings for persons who had both. No benefits were withheld, for example, for an individual who had self-employment earnings of \$900 in a year and who also had

Table 1.—Average initial retirement ages of old-age beneficiaries, by year of entitlement<sup>1</sup> and by sex

Year	Average retirement age	
	Men	Women
1940	68.2	67.6
1941	69.2	68.2
1942	69.1	68.2
1943	69.2	68.1
1944	69.4	68.2
1945	69.4	68.5
1946	69.4	68.7
1947	68.9	68.4
1948	68.7	68.3
1949	68.5	68.2
1950	69.0	68.2
1951	68.1	67.3
1952	68.4	68.0

<sup>1</sup> Average for entitlements of given year, represented in all awards before 1953.

wages of as much as \$75 in several or even all months.

### Experience Under Retirement Test

Monthly benefits have been payable under the old-age and survivors insurance system since January 1940. Accordingly, data are available for 14 years of operation.<sup>2</sup>

The average initial retirement ages of insured workers who were awarded old-age benefits during 1940–52 are shown in table 1. The ages are those in the year of entitlement or, in other words, the year with respect to which the individual was first actually paid benefits. This average takes into account two important factors: the frequent delay after age 65 in filing a claim<sup>3</sup> and the time necessary for administrative action in making the award.

The average initial retirement age for men was between 69 and 69½ during World War II, but it then declined to about 68½. The slight increase to age 69 in 1950 was the result of two changes made by the 1950 amendments—the liberalized eligibility requirement under which a large number of persons past age 65,

who had already ceased working, first became eligible; and the elimination of the retirement test for beneficiaries aged 75 or over, so that some persons who were still working filed for and received benefits. For women the same general trend prevailed, with a wartime peak of about 68½ and a slight decline thereafter to the present level of about 68.

The average retirement age for men with wives aged 65 or over, and therefore also immediately eligible for benefits, is between 1½ and 2 years higher than the average for all male beneficiaries. This difference is to be expected since normally husbands are several years older than their wives. Thus, men just above age 65 rarely have wives aged 65 and over. On the other hand, married men whose wives are under age 65 have an average retirement age somewhat lower than that for all men combined.

Another indication of retirement experience is the proportion of the retirements that occur among persons attaining age 65 in a particular calendar year. Of the men who became entitled during the 1940's, about 20–30 percent of each year's entitlements were of individuals aged exactly 65. This figure dropped to about 18 percent in the war years. The corresponding range during 1940–50 was slightly higher for women. In 1951 the proportion rose to a peak of 40 percent for men and 49 percent for women. Preliminary and partial data for 1952 and 1953 indicate a current level of about 35 percent and 40 percent, respectively.

Still another way of viewing the retirement operations is to consider the proportion of those who are eligible to retire by reason of being age 65 or over and fully insured and whose benefits are actually in current-payment status. This figure rose from a level of about 30 percent during World War II to 60 percent by 1950 and to 70 percent at the end of 1953 (table 2). At that time, 3.2 million retired workers were drawing benefits out of a total of 4.6 million eligibles.

Many individuals awarded benefits subsequently return to covered employment, and their benefits are then suspended. The data in the preceding analysis thus underestimate the true effective average retirement age. A

measurement of average retirement age that has more validity is based on the average initial retirement age, adjusted to allow for the fact that those individuals who return to work after having been awarded benefits have, in effect, a later retirement age.

Table 2 also shows, as a percent of all old-age beneficiaries, those who have filed a claim but whose benefits are suspended because of covered employment. The number of persons with benefits suspended is affected not only by changes in employment conditions, however, but also to some extent by changes in administrative procedures and policies. During 1940–42, benefits suspended because of employment represented about 12 percent of all benefits in force. The proportion rose to about 18 percent during most of World War II and then decreased; in the past 4 years it has been 7–9 percent of the total. At the end of 1953 about 230,000 individuals who had been awarded old-age benefits had returned to work (with substantial covered earnings) and had their benefits suspended.

What is the significance of the fact that about 7 percent of the benefits are currently suspended because of employment? For a stationary life-table population, if 93 percent of a group aged 68 and over are receiving benefits, the result is the same as

Table 2.—Distribution of old-age beneficiaries<sup>1</sup> with benefits in current-payment status and in suspension because of employment

End of year	Old-age beneficiaries with benefits—	
	In current-payment status, as percent of fully insured <sup>2</sup>	Suspended because of employment, as percent of all old-age beneficiaries
1940	20.4	11.8
1941	29.4	13.0
1942	31.3	12.0
1943	39.1	19.0
1944	30.4	17.5
1945	35.3	17.6
1946	42.9	14.4
1947	48.3	15.1
1948	52.7	14.8
1949	59.4	13.1
1950	58.5	9.0
1951	66.2	9.1
1952	64.9	8.0
1953	69.9	6.7

<sup>1</sup> Fully insured individuals aged 65 and over who have filed a claim and have been awarded benefits.

<sup>2</sup> Fully insured on January 1 of following year.

<sup>3</sup> Excludes relatively small number (about 10,000 in 1952) with benefits suspended for reasons other than employment (payee not determined, etc.).

<sup>4</sup> Based on estimate.

though only all those aged 69 and over are receiving benefits. In other words, if 7 percent of the claimants have returned to work, and if the average age at time of initial entitlement is 68, then the true effective retirement age is 69. Accordingly, it may be said that the real average retirement age under the old-age and survivors insurance program is about 69 for women and almost 69½ for men.

Some indication of the effect of the retirement test for other types of beneficiaries may be obtained by considering benefits withheld because of the beneficiary's employment (table 3). Less than 1 percent of the benefits in force for wives, widows, and parents but about 16 percent of the mother's insurance benefits were suspended because of the beneficiary's own employment. It should be noted that over the 13 years 1940-52 about 16 percent of the widows of insured men leaving orphaned children under age 18 did not file claim for mother's benefits initially—that is, at the time the claim was filed for the children.<sup>4</sup> Accordingly, otherwise eligible mothers who never claimed benefits because of employment represent 10-15 percent of the number of mother's benefits in force, and thus about 25-30 percent of the mother's benefits in force or potentially in force were not being paid because of the individual's employment.

### Necessity for Change in Basis

Under the old law, a number of situations occurred—particularly for wage earners—that aroused considerable criticism. A retired wage earner who made more than \$75 a month, but not as much as \$75 plus his benefit amount, had a particular problem. If, for example, a man's primary insurance amount was \$60, and he had a wife aged 65 or over, the benefit for the couple was \$90. In the month that this beneficiary had earnings of \$75, he would have available a total income of \$165. If he

<sup>4</sup> Some of these widowed mothers may have filed subsequently, but at most 30 percent have so filed. If all subsequent entitlements are considered as being in this category, actually, many subsequent entitlements to mother's insurance benefits are with respect to posthumous children.

Table 3.—*Monthly benefits in force and withheld because of employment, by type of benefit,<sup>1</sup> December 31, 1953*

Type of benefit	Total number in force (in thousands)	Withheld because of employment of beneficiary	
		Number	Percent
Old-age	3,464	231,583	6.7
Wife's or husband's	948	3,478	.4
Widow's or widower's	546	4,384	.8
Parent's	24	46	.2
Mother's	308	49,332	16.0

<sup>1</sup> Data for child's benefits withheld are not available.

earned \$80, he lost his own benefit and his wife's benefit and had only the \$80 from his work. The problem became less acute for him, of course, as his earnings approached the amount of his benefits plus \$75. In actuality, most beneficiaries who worked and were affected by the retirement test earned substantially more than their withheld benefits plus the \$75 exempt amount.

There was also a problem for the beneficiary who worked only occasional months at wages that, while moderate, were more than \$75 and who thus lost benefits for such months. He was, in fact, substantially retired, certainly to the same extent as a \$75-a-month, 12-month worker, who perhaps had been able to adjust his wages downward so that he could receive benefits in all months.

Self-employed beneficiaries did not have the same problem because the retirement test operated differently for them. They had an undue advantage, moreover, when they had wages as well as self-employment income, since then the "double-exemption" feature applied.

Another inequity existed under the old law because the retirement test applied only to covered employment. Thus, individuals engaged full time in noncovered employment, and by no means retired, could at the same time receive full benefits. One illustration is the case of a civil engineer who worked for a number of years as an employee of a construction company but who became a partner in a consulting engineering firm a few years before reaching age 65; he was thus paid old-age benefits when he reached that age since he was not

engaged in covered employment.<sup>5</sup> Still another example is a Canadian who commuted to work in the automobile factories in Detroit but who, upon reaching age 65, terminated that employment and began working in a garage in Canada. Since this foreign employment was not "covered," he received his full benefit even though he was not retired.

Before the 1954 amendments, non-covered employment (for which earnings reports are not available through the collection of contributions) was not counted in the operation of the retirement test, principally because of the administrative problems involved under the limited coverage of the system. With the virtually universal coverage achieved by the 1954 amendments, these problems are now much smaller.

### Legislative History of the 1954 Amendments

On January 14, 1954, Chairman Reed of the Committee on Ways and Means of the House of Representatives introduced H.R. 7199. This bill embodied the recommendations of the Administration as set forth in President Eisenhower's social security message of January 14.

The bill included certain important provisions dealing with the modification and liberalization of the retirement test. In particular, the test would be placed on an annual basis, with wages and self-employment income considered together. Moreover, the test would be applicable to all earnings and not merely to covered earnings, with special provisions for beneficiaries residing in foreign countries. At the same time the amount of earnings permitted before the retirement test applies would be increased, so that no benefits would be lost if annual earnings were \$1,000 or less, and 1 month's benefits could be withheld for each additional \$80 of earnings (or fraction thereof). Benefits would not, however, be withheld for any month during which the person neither was substantially self-

<sup>5</sup> Because the 1954 amendments bring self-employment as a civil engineer under the coverage of the program (effective in 1955), this situation would be remedied even if no change were made in the retirement test.

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employed nor had \$80 or less of wages. Thus, the retirement test in this bill was patterned closely after the test in the old law for self-employed persons, except that (1) it related to all earnings rather than merely to covered earnings, and (2) the exemption amounts were higher.

After extensive public hearings and executive sessions, the Ways and Means Committee on May 28 reported out H.R. 9366—a somewhat modified version of H.R. 7199, which was subsequently passed by the House on June 1. No changes were made in the retirement-test provisions.

Substantial changes in these provisions were, however, made in the bill as reported out by the Committee on Finance of the Senate on July 27 and as passed by the Senate on August 20. While the same general basis was maintained as in the House-approved bill, the test was made applicable only to covered employment, as in the earlier law; the exempt amount of earnings was increased from \$1,000 a year to \$1,200, although the provision for \$80 units thereafter was left unchanged; and the age beyond which the retirement test would not apply was lowered from 75 to 72.

In the conference between the House and Senate, the points of difference were settled by adopting (1) the Senate provisions setting \$1,200 as the exempt amount and age 72 as the point beyond which the retirement test should not apply and (2) the House provision making the retirement test applicable to earnings from noncovered as well as covered employment.

Largely for administrative reasons the changes in the retirement test made by the 1954 amendments are not effective for most individuals until January 1955, because the retirement test is on an annual basis corresponding with the individual's taxable year.

### Provisions of Present Test

The law as amended provides for the payment of benefits to a person

\*For the relatively few individuals whose taxable year is on a fiscal-year rather than a calendar-year basis, the changes become effective somewhat later—that is, for and after the taxable year beginning in 1955.

who has insured status and who is aged 65-71, inclusive, only if he is substantially retired, and it provides for payments to his eligible dependents if they do not have substantial employment. After the worker reaches age 72, he receives his benefits regardless of his retirement; the dependent's benefits are suspended, however, if the dependent is under age 72 and is substantially employed. Survivor beneficiaries must also meet the retirement test, but here the test applies to each individual separately. Thus, if a widow entitled to mother's benefits engages in substantial employment, benefits are continued to the eligible children.<sup>1</sup>

The retirement test logically applies to earnings in all types of employment in the United States (including Alaska, Hawaii, Puerto Rico, and the Virgin Islands), as well as in covered employment outside the United States.<sup>2</sup> Logically, also, a single test that combines earnings of all types is applied rather than separate tests for wages and self-employment income. In addition, under a special provision that applies only to non-covered earnings outside the United States, benefits are suspended for every month during which the individual engages in noncovered remunerative activity on seven or more calendar days. This type of provision—on a monthly basis and without a monetary amount—was necessary for administrative reasons and because of the differences in wage scales between this country and other countries. An amount of earnings that might indicate effective retirement in the United States would be full-time

<sup>1</sup>If the family includes a large number of children (4 or more), employment of the widowed mother will not reduce total family benefits. In such instances the family maximum benefit provisions are applicable, and so the same total is paid whether only the children's benefits are in current-payment status or whether benefits for the widow and children are all in current-payment status.

<sup>2</sup>"Covered earnings" outside the United States include earnings received for services on an American ship or airplane (in certain circumstances) or those received by an American citizen from an American employer (or, in certain circumstances, from a foreign subsidiary of an American employer), and also in certain circumstances the self-employment income of American citizens.

earnings in various other countries.

The annual exempt amount of earnings is set at \$1,200. When earnings are in excess of this amount, 1 month's benefit can be withheld for each excess of \$80 or fraction thereof. No benefits, however, are suspended for any month in which the individual does not have wages of more than \$80 or in which he has not rendered substantial service as a self-employed individual.

Perhaps the best way to consider the operation of the retirement test is in two steps. First, the total earnings for the year must be considered and the maximum number of deductions determined. If, for example, such earnings total \$1,400, the deductions will be for a maximum of 3 months, since the excess of \$200 represents three "\$80 units of excess earnings."

The second step is to consider the number of months in the calendar year for which deductions can be made because the individual earned more than \$80 in wages or rendered substantial self-employment service. If the number of these "potentially deductible" months equals or is greater than the number for which deductions would be made under step 1, then the maximum determined under the first step is applied. If the number of "potentially deductible" months is smaller, then deductions for only that number of months are made. If, in the illustration above, the individual had three or more "potentially deductible" months, he would lose 3 months' benefits. If, on the other hand, he had only two "potentially deductible" months (if, for example, his earnings of \$1,400 were concentrated more or less equally in 2 months), then he would lose only 2 months' benefits.

It is important to note that the first step consists of considering the total earnings for the year and ignores the way in which these earnings are distributed throughout the calendar months of the year. It should be noted further that benefits are not necessarily paid for months during the year before the individual has earned the \$1,200 exempt amount because subsequent earnings might affect those earlier months. If, for example, an individual earns wages

of \$200 a month for each of the 12 months of the year, he will not receive benefits for the first 6 months—although his total earnings during that period did not exceed \$1,200—since his annual earnings amount to \$2,400 (resulting in 12 "\$80 units of excess earnings") and since he had earnings of more than \$80 in every month (that is, 12 "potentially deductible" months).

The maximum amount of earnings that an individual entitled to benefits throughout a year can have in that year and be certain of getting at least 1 month's benefits is \$2,080, since any larger amount would mean 12 "\$80 units of excess earnings." Actually, however, an individual who earns \$2,080 may get anywhere from 1 to 11 months' benefits, depending on how many "potentially deductible" months he had. Conversely, an individual can earn more than \$2,080 and still get benefits for some months—that is, those in which he had \$80 or less in wages and no substantial self-employment services. Thus an individual with \$1,200 of wages in January and exactly \$80 in each of the other 11 months would have wages of \$2,080 and 11 "\$80 units of excess earnings." Only his January benefit would be withheld, since that is the only "potentially deductible" month. The result would be the same even though he had wages of far more than \$1,200 in January, or if the situation was reversed and he had \$80 of wages in each of the first 11 months of the year and \$1,200 in December (or, for that matter, any amount more than \$320 in December). In the latter case the deduction would, of course, be for December.

The eventual benefit paid may be increased if the individual is employed after he reaches age 65 and if such employment increases his average wage. In no case, however, will employment after age 65 reduce the benefit to less than it would have been if the individual had retired at the earliest possible time after reaching age 65. Contributions are payable on all covered employment after age 65, even though the individual is in receipt of benefits—when, for example, his annual earnings are \$1,200 or less or when he is aged 72 or over.

It may perhaps be helpful to con-

sider certain examples illustrating how the new retirement test provisions operate. Individual A has a part-time job paying \$120 a month. Before the 1954 amendments, he would not have been able to draw any monthly benefits while he was so employed. Under the amendments, however, since his total earnings aggregate \$1,440 in the year and since the \$240 in excess of the \$1,200 exempt amount represents three "\$80 units," he loses only 3 months' benefits and thus draws 9 months' benefits.

Individual B is fully retired for most of the year, but during the Christmas season he is employed for 3 months in a department store at \$200 a month. Under previous law he would have lost benefits for those 3 months, but under the amendments he draws benefits for the entire year, since his aggregate earnings in the year do not exceed \$1,200.

Individual C also is retired during most of the months of the year. Since he was formerly a topflight scientist, he occasionally is employed for special jobs at a substantial salary. In 1 calendar year, for example, he earns \$1,200 in January, \$500 in March, \$400 in September, and \$75 in December. His total wages for the year amount to \$2,175. Based on the amount of his total annual earnings, benefits might be withheld for all 12 months of the year. Benefits can be withheld, however, for only 3 months—January, March, and September—since in all other months his earnings are \$80 or less. If individual C works only in January and thus earns only \$1,200, he would receive benefits for this month as well as all succeeding months. On the other hand, if he earns the \$1,200 in January and earns \$80 in 1 other month, then he loses 1 month's benefit. Since the total amount earned indicates that 1 month's benefit should be withheld, January—the only month with wages in excess of \$80—is the only month that it would be possible for such withholding to occur.

Next consider how these provisions would operate in the case of an engineer newly covered as a professional self-employed person by the 1954 amendments (effective in 1955). John Smith is senior partner of the engi-

neering firm of Smith, Brown, and Smith. He will reach age 65 at the end of 1959, and during the entire period until then he will have earnings of more than the maximum of \$4,200 a year that can be counted towards benefits. Mr. Smith intends to practice engineering on a full-time basis for several years after age 65 and then gradually to reduce the proportion of his time spent in employment. Under these circumstances, just how will the provisions apply to him, since he is not fully retired? The provision that benefits are paid for all months in which he does not render substantial services in self-employment is an important one in this case.

Let us suppose that in the first few years after Mr. Smith reaches age 65 he practices engineering full time except during July and August, when he takes a vacation and does not render any substantial service to the firm. If he applies for benefits, he will receive the maximum amount of \$108.50 (plus \$54.30 if he has a wife aged 65 and over) for each of these 2 months, even though he might receive, with respect to the 2 months, income representing the profits of the partnership. Now, let us further suppose that at age 69 Mr. Smith has a serious illness that makes impossible his active participation in the firm for a number of months. During this entire period of illness, he would draw benefits even though he might have sizable income from the profits of the firm. Following this illness, Mr. Smith decides to practice only part time, dealing only with those cases in which he has special experience.

Accordingly, on January 1 of a particular year, he once again begins practicing engineering, although only sporadically, so that during that calendar year he earns somewhat less than \$1,200 (including his share of the firm's profits) even though he engaged in the practice of engineering at some time during 4 months of the year. Nevertheless, he receives full benefits for all 12 months of the year because his net earnings from self-employment do not exceed \$1,200. If such earnings were \$1,250, he would have received benefits for all but 1 month of the year since, even though

he had engaged in substantial self-employment for 4 months, he had gone over the \$1,200 limit by only one "\$80 unit."

In the next calendar year, Mr. Smith recovers completely and becomes more active. Although he does not work in every month of the year, he is nevertheless able to earn through his own service a very substantial amount. During this period, Mr. Smith draws benefits for all months in which he does not do such work, even though during the calendar year he might well have earned more than \$5,000 as a direct result of his own practice and a similar amount as general profits of the firm. After Mr. Smith reaches age 72, no deduction for earnings will be made from his benefits; he will draw benefits for all months even though he may have, in some months, engaged in substantial self-employment from which he derived considerable income.

#### *Cost Aspects of Retirement Test*

As may be seen from the description of the changes in the retirement test made by the 1954 amendments, certain elements increase costs, while others decrease them. Items raising costs are (1) the higher exemption amounts, (2) the placing of the test on an annual basis for a wage earner, and (3) the reduction of the age beyond which the retirement test does not apply from 75 years to 72. Changes resulting in lowered costs are (1) the application of the retirement test to all earnings, whether covered or not, and (2) the combining of wages and self-employment income in the application of the retirement test for individuals having both forms of earnings. The changes resulting in lowered costs have a relatively small effect in comparison with those raising costs, so that the net effect is an increase in cost for

the retirement test considered as a whole that amounts to about 0.20 percent of payroll on a level-premium basis.

At the end of 1953, 4.6 million individuals aged 65 or over were eligible for old-age benefits, but there were only 3.2 million with benefits in current-payment status. Accordingly, it is likely that the great majority of the remaining 1.4 million persons were still at work in covered employment and, if it had not been for the retirement test, would have been drawing benefits. In other words, if all persons in covered employment retired at age 65, there would have been an additional 1.4 million individuals receiving old-age benefits. These individuals had about 400,000 dependents (principally wives aged 65 and over) who would also have received benefits if the retirement test were eliminated. If there were not a similar provision affecting survivor beneficiaries, an additional and substantial number of persons—primarily young widowed mothers who are employed—would have been receiving benefits.

If there were no retirement test (or if all insured individuals retired at age 65, and if younger survivor beneficiaries did not engage in employment), the total number of beneficiaries on the rolls as of the beginning of 1955 would increase by more than 2 million and the total annual benefit disbursements by about \$1.9 billion. The increased disbursements represent a relative rise in current costs of about 40 percent; the increase is about 1.15 percent of taxable payroll. From the viewpoint of long-range costs, the increase, if there were no retirement test, would average about 1.4 percent of payroll. This increase in cost, naturally, would have to be met either by increased contribution rates or lowered benefits.

#### *General Conclusions*

In establishing or developing any program paying old-age benefits, the legislators must face the issue of whether the benefits are to be annuities that begin on attainment of a chronological age or are to be paid only on retirement. Perhaps the most important factor in the decision is that of cost. If only a certain amount of money is to be available for the purposes of the program, it must be decided whether to pay low benefits beginning at a certain age (thus arbitrarily giving a higher income than they had before to persons working beyond that age) or to pay more substantial benefits only to those who have retired and who thus presumably have lower income than those in their age group still at work.

When Congress selected the second method it faced the problem of defining retirement. It seems desirable for aged persons in good health to engage at least in partial or intermittent employment. Any retirement test established should not discourage such employment. At the same time, experience indicates that a substantial number of persons continue in full-time employment after age 65, and the retirement test should be so framed that these individuals will not concurrently receive pay and "retirement" benefits. Any retirement test naturally involves some administrative problems, and this aspect, too, should be considered in developing a suitable test.

The 1954 amendments have provided a retirement test that, on the whole, should provide an adequate and equitable method of paying retirement benefits. Aged individuals can engage in partial or occasional employment without severe penalties from a benefit standpoint. The future operation of these provisions will be watched with great interest.

# Notes and Brief Reports

## Economic Status of Aged Persons, June 1954 \*

In mid-1954, 70 percent of all persons 65 years of age and over in the continental United States had income from employment or social insurance or both. Approximately half the remaining persons aged 65 and over were receiving old-age assistance. Almost 5 million aged persons—about 2 in every 5 men and 1 in every 3 women—were getting old-age and survivors insurance benefits. An additional 1.2 million persons benefited directly or indirectly from related programs: railroad retirement, government employees' retirement, or the veterans' compensation and pension programs.

Old-age and survivors insurance benefit checks reached 36 percent of all persons aged 65 and over in June 1954, compared with 32 percent a year earlier and 26 percent in June 1952. Beneficiaries outnumbered old-age assistance recipients almost 2 to 1 and exceeded by 25 percent the number with any income from employment during the month. In contrast to the rapid growth of old-age and survivors insurance as a source of income, both employment and old-age assistance have declined in importance during recent years (chart 1). While the total population aged 65 and over has been increasing almost 3 percent per year, the number of aged persons at work and the number receiving public assistance were approximately the same in June 1954 as in June of 1952 and 1953.

The decline in the proportion of aged persons with earned income reflects in part a reduction in employment opportunities for older workers and in part the effect of the amendments passed in 1950 and 1952 that liberalized old-age and survivors insurance benefit and coverage provisions. On January 1, 1954, there were nevertheless 1.4 million persons aged 65 and over who were fully insured but not receiving benefits. Such persons, substantially all of them pre-

\*Prepared by Lenore A. Epstein, Division of Research and Statistics, Office of the Commissioner.

ferring employment to retirement benefits, represented more than half the 2.6 million earners aged 65 and over who were not receiving retirement benefits under old-age and survivors insurance at the end of June 1954.

There were about 400,000 aged persons receiving old-age and survivors insurance benefits in June 1954 who at the same time had some income from employment. Many of this group undoubtedly had only casual employment, perhaps a few hours a week or a few days a month, which provided a supplement to their benefit checks. Others, aged 75 and over and therefore not subject to the retirement test, had full-time employment. More than 100,000 persons receiving benefits under another public retirement program or the veterans' programs also had some income from employment (not shown separately on the table). It is probable that relatively more beneficiaries under these programs than under old-age and survivors insurance had income from employment, since the retirement test has tended to be less strict under the systems for govern-

ment employees and the income restriction on veterans' pensions has been as high as \$1,400 a year for a single person and \$2,700 for a married man. The number of old-age and survivors insurance beneficiaries with some earnings will doubtless increase beginning in 1955, when the liberalized retirement test provisions in the 1954 amendments go into effect.

The public assistance program, although of declining importance as a source of income for the aged, has continued to be highly important for those needy aged persons who are ineligible for old-age and survivors insurance or unable to make ends meet on their benefit checks. Old-age assistance recipients during the past 2 years have numbered about 2.5 million, including 400,000–500,000 persons who were also receiving old-age and survivors insurance benefits. The number who receive checks from both programs has been increasing gradually, but the rise has been proportionately slower than the increase in the number of old-age and survivors insurance beneficiaries,<sup>1</sup> and in June this group comprised less than

<sup>1</sup>Ruth White, "Concurrent Receipt of Public Assistance and Old-Age and Survivors Insurance," *Social Security Bulletin*, August 1954.

Table 1.—Estimated number of persons aged 65 and over receiving money income from specified sources, June 1954<sup>1</sup>

Source of income <sup>2</sup>	Total	Men	Women
Total population aged 65 and over	13.7	6.4	7.3
Employment			
Earners	3.9	2.4	1.5
Wives of earners not themselves employed	3.0	2.4	.6
Social insurance and related programs <sup>3</sup>	.9	.8	.1
Old-age and survivors insurance	6.2	3.3	2.9
Railroad retirement insurance	4.9	2.6	2.3
Government employees' retirement programs	.5	.2	.2
Veterans' compensation and pension programs	.4	.2	.2
Beneficiaries' wives not in direct receipt of benefits	.4	.3	.1
Old-age assistance	.2	.2	.0
No money income or income solely from other sources	2.5	1.0	1.5
	2.1	.4	1.7
Income from more than one of specified sources			
Employment and old-age and survivors insurance	1.0	.7	.1
Old-age and survivors insurance and old-age assistance	.4	.3	.1
Other <sup>4</sup>	.5	.3	.2
	.1	.1	(8)

<sup>1</sup>Continental United States. Population estimates for 1954 are not entirely comparable with those for 1951–53 used in previous *Bulletin* notes on the economic status of the aged, because of revisions by the Bureau of the Census.

<sup>2</sup>The sum of the persons shown under the four categories exceeds the number in the population by the number with income from more than one of the three main sources, as shown at the end of the table. Persons with income from sources specified may also have received income from other sources.

<sup>3</sup>Persons with income from more than one program are counted only once. The principal duplication

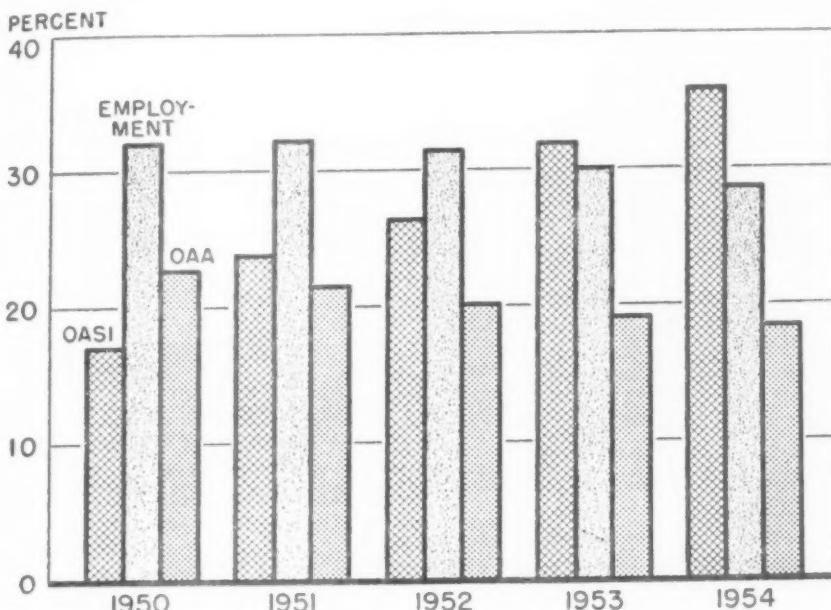
is between the old-age and survivors insurance and veterans' programs.

<sup>4</sup>Persons with income from social insurance (other than old-age and survivors insurance) or a related program and from employment or old-age assistance.

<sup>5</sup>Fewer than 50,000.

Source: Number of persons of specified age, sex, and marital and earner status estimated from published and unpublished data of the Bureau of the Census. Number of persons receiving payments under social insurance and related programs and from old-age assistance reported by administrative agencies (partly estimated).

Chart 1.—Percent of persons aged 65 and over with income from old-age and survivors insurance, from employment, and from old-age assistance, June 1950-June 1954



10 percent of all old-age and survivors insurance beneficiaries.

Regardless of the benefit level, some beneficiaries will always have special needs—most often for medical care—that they cannot meet without assistance. It is expected, however, that the 1954 amendments raising benefit amounts (an average of \$6, for example, for old-age benefits) and liberalizing the retirement test will eliminate part of the need for public assistance payments to supplement old-age and survivors insurance benefits for some persons. The liberalization of eligibility requirements, particularly the provision that applies to survivors of certain workers who died after 1939 and before September 1950, will doubtless result in the transfer of some persons from old-age assistance to the old-age and survivors insurance rolls.

In June 1954, approximately 2.1 million aged persons had no income from employment, social insurance and related programs, or an assistance program. Some of them received private industrial or union pensions, but the number was undoubtedly small since most of the persons receiving private group pensions were also eligible for and drawing benefits under the old-age and survivors in-

surance program. Some received periodic payments under individual annuities and the settlement options of life insurance contracts. Others had income from real estate, stocks, bonds, or other investments. Some were living off their assets—that is, withdrawing from savings or using cash realized from the sale of assets. A relatively small proportion received assistance in cash from private welfare agencies or cash contributions on a regular basis from relatives. Probably a substantial number were supported by children or other relatives with whom they lived. Some were in public institutions.

All aged persons in institutions numbered less than half a million, and certainly those in public institutions did not exceed 200,000–250,000. Perhaps 7–10 percent of the institutional residents aged 65 and over were beneficiaries of old-age and survivors insurance or a related program,<sup>2</sup> and perhaps as many as one-

<sup>2</sup> See Jacob Fisher, "Trends in Institutional Care of the Aged," *Social Security Bulletin*, October 1953, for a summary of the latest data on the institutional population. There has been no enumeration of the institutional population since 1950. Different methods of estimating the number of institutional residents in June 1954 yield figures that range around 450,000.

fifth were receiving old-age assistance.

The fact that almost one-fourth of all aged women were without income from employment or from one of the public income maintenance programs, compared with barely 6 percent of the men, reflects the much lower labor-force participation rates of women and their longer life-expectancy rates. Since men are normally in the labor force throughout most of their adult lives, they are eligible for retirement benefits after age 65 when they no longer are earning—provided, of course, that they worked in covered employment. In June 1954 the percent of aged men and aged women, respectively, with income from one or both sources was as follows:

Source of income	Percent		
	Total	Men	Women
Employment.....	29	38	21
Social insurance or related program.....	45	52	40
Either or both.....	70	63	59

The situation was clearly very different for aged women than for aged men, with income from employment or social insurance much more common among the latter even when the 900,000 wives of earners are counted as having income from employment. The wives of earners comprised more than two-thirds of all aged women shown as having income from employment. The 600,000 women with some earnings from their own employment plus the 873,000 women receiving benefits in their own right as retired workers comprised only one-fifth of all aged women.

An estimated 8 percent of the aged women receiving old-age and survivors insurance benefits as retired workers in June 1954 were receiving concurrent wife's or widow's benefits—about 30,000 and 35,000, respectively. Persons entitled to old-age benefits may also be entitled to secondary (wife's or husband's, widow's or widower's, or parent's) benefits. If the secondary benefit is larger, both benefits are payable, but the secondary benefit is reduced by the amount of the concurrent old-age benefit. Although persons with concurrent benefits appear on the rolls twice, they

are counted only once in table 1. It is relatively uncommon for men to receive two benefits because a secondary benefit based on a woman's earnings would rarely exceed an old-age benefit based on a man's earnings.<sup>3</sup>

Practically all the 2.7 million married women living with their husbands had some income from employment or one of the public income maintenance programs—either in their own right or through their husbands. Of the 4 million aged widows, however, scarcely 8 percent had income from employment, and at most about a third had benefits under old-age and survivors insurance or a related program. Many widows were supported in whole or in part by old-age assistance, but even more of them had no income from the sources under consideration.

<sup>1</sup> See *Annual Statistical Supplement, 1953*, tables 41-43 (*Social Security Bulletin*, September 1954), for information on dual entitlements at the end of 1953.

## Economic Status of Widows and Paternal Orphans, June 1954 \*

Although the 2.1 million paternal orphans<sup>1</sup> in the United States comprise less than 4 percent of the Nation's children under age 18, they are of special interest from a social and economic point of view because of problems of support.

Old-age and survivors insurance, the programs administered by the Veterans Administration, and related programs provided income in June 1954 for about 60 percent of the children under age 18 with father dead. While the proportion of paternal orphans receiving payments under the veterans' pension and compensation programs has remained constant at about 15 percent since 1950, the proportion receiving old-age and survivors insurance benefits has increased from less than one-third to about one-half of all paternal orphans in

\*Prepared by Lenore A. Epstein, Division of Research and Statistics, Office of the Commissioner.

<sup>1</sup> The term paternal orphan, as used here, relates to all children with father dead, including those who have lost both parents.

Table 1.—Estimated number of children under age 18 with father dead and widows under age 65 receiving money income from specified sources, June 1954

[In millions]

Source of income	Children under age 18 with father dead	Widows under age 65 <sup>2</sup>		
		Total	With 1 or more children under age 18	Other
Total in population <sup>3</sup>	2.1	3.6	0.7	2.8
Employment <sup>4</sup>	.2	1.9	.4	1.6
Social insurance and related programs <sup>5</sup>	1.2	.8	.4	.5
Old-age and survivors insurance	1.0	.3	.3	0
Veterans' compensation and pension programs	.3	.5	.1	.4
Railroad and government employees' retirement programs	.1	.1	(6)	.1
Aid to dependent children	.2	.1	.1	.0

<sup>1</sup> Continental United States.

<sup>2</sup> Excludes widows who have remarried.

<sup>3</sup> Includes persons with no income and income solely from sources other than those specified. Some persons received income from more than one of the specified sources; some with income from sources specified also received income from other sources.

<sup>4</sup> Includes only persons working for pay or profit and not those supported by the earnings of a relative.

<sup>5</sup> Persons with income from more than one program are counted only once.

<sup>6</sup> Fewer than 50,000.

Source: Number of children and of widows in the population and number with employment and with children under age 18 estimated from published and unpublished data of the Bureau of the Census. Number of children under age 18 with father dead based on estimate for July 1953 prepared by the Division of the Actuary, Social Security Administration. Number of persons receiving payments under social insurance and related programs and from aid to dependent children reported by administrative agencies (partly estimated).

the United States. As shown in chart 1, there was considerable overlap between the programs, with about 7 percent of all the paternal orphans receiving benefits under both. Other social insurance programs were of slight importance as a source of income for these children.

More than half the children receiving old-age and survivors insurance benefits in December 1953 lived with a mother who also received benefits. Some lived with a widowed mother who was not entitled because of employment or remarriage. A child's eligibility for benefits is not affected by the mother's employment or her remarriage unless he is adopted by a stepfather before the death of his natural father.

The rapid increase during the past 5 years in the number of survivor children under age 18 receiving old-age and survivors insurance benefits has resulted in a continuous decline in the importance of aid to dependent children as an income source for paternal orphans. The proportion receiving such aid was down to 11 percent in June 1954. A considerable number of the paternal orphans receiving aid to dependent children were beneficiaries under the old-age and survivors insurance program whose benefits needed supplementation. This overlap, which is not shown on chart 1, is difficult to measure pre-

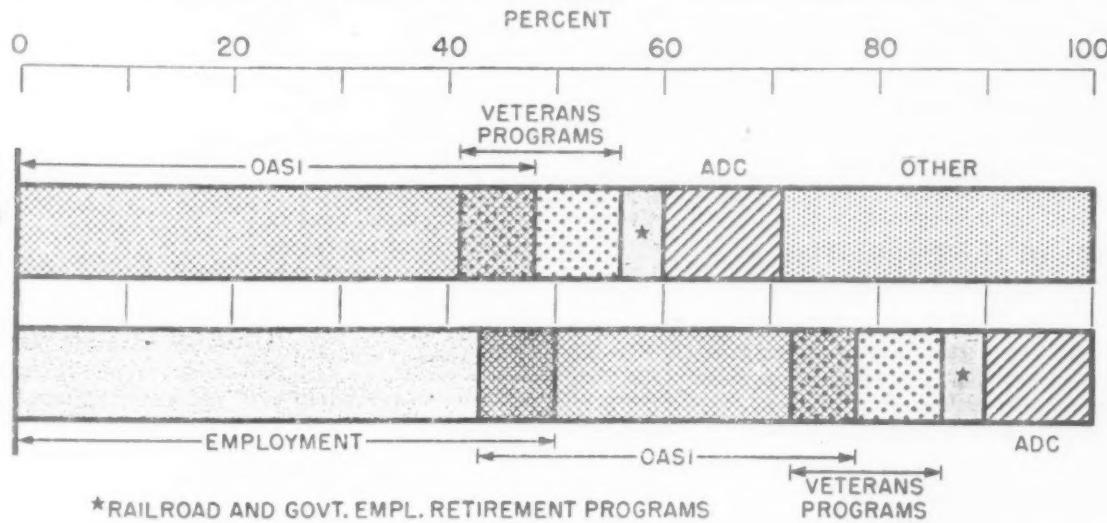
cisely because available information concerning recipients of aid to dependent children on the reasons for lack of support relates to the "most recent" father rather than the natural father.<sup>2</sup>

According to a study conducted by the Bureau of the Census for the Social Security Administration in October 1949,<sup>3</sup> about three-fifths of the paternal orphans live in the household of a relative who is employed. With respect to the employment of the orphans themselves, the 1949 study showed about 5 percent with some earnings. It appears probable, however, that in June 1954 the number of paternal orphans under age 18 with some income from their own employment was roughly 200,000,

<sup>2</sup> In November 1953 only about 6 percent of all children receiving aid to dependent children were old-age and survivors insurance beneficiaries. The proportion receiving both old-age and survivors insurance benefits and aid to dependent children payments was much larger among paternal orphans, who comprised only 15-16 percent of all children in the continental United States receiving aid to dependent children. See Ruth White, "Concurrent Receipt of Public Assistance and Old-Age and Survivors Insurance," *Social Security Bulletin*, August 1954, pages 12-15.

<sup>3</sup> See Jacob Fisher, "Orphans in the United States," *Social Security Bulletin*, August 1950, for a summary of data from this survey.

Chart 1.—Sources of income of widows and paternal orphans in the United States, June 1954



or about 10 percent of all children under age 18 with father dead, including some of those living with a mother or other relative who was employed.\*

Thus, many of the children shown in table 1 as having no income from social insurance and related programs or from aid to dependent children had some income from employment directly or indirectly, or both. Some of these children undoubtedly received payments under the settlement options of life insurance contracts or income from the deceased parent's property. Others were supported by relatives. Still others were in tax-supported institutions, but their number is not known. In 1950 there were 93,000 children under age 18 in homes for neglected and dependent children (18,000 of them in public homes), and probably most of these children were paternal orphans. An unknown proportion of the 112,000 children under age 18 in other types of institutions were also paternal orphans. It seems unlikely that more than 6-8 percent of all paternal orphans were in institutions in June 1954, and presumably a considerable number of these children were re-

ceiving benefits under old-age and survivors insurance, the veterans' programs, or related programs.

Of the 700,000 widows under age 65 with one or more children under age 18, half had income from employment in June 1954 and about half received benefits under old-age and survivors insurance or the veterans' or related programs (chart 1). As in the case of the paternal orphans, it is estimated that about 15 percent of those receiving mother's benefits under old-age and survivors insurance were also receiving benefits from the Veterans Administration. An estimated 20 percent of the social insurance beneficiaries were among those with some income from employment. About 5 percent of them were receiving aid to dependent children (not shown on the chart). Other widowed mothers had children receiving old-age and survivors insurance benefits but were not themselves eligible because their earnings exceeded the maximum allowable without benefit suspension. About 1 in 10 widowed mothers with children received public assistance through aid to dependent children. Few of the latter were employed.

The labor-force participation rate is well over twice as high for widows with one or more children under age 18 as for married women with husband present and one or more children under age 18. It is notable, therefore, that the proportion of such

widows who are in the labor force has remained more or less constant at about 50 percent during the past 5 years, while the proportion receiving mother's benefits under old-age and survivors insurance has gone up steadily from 22 percent in June 1950 to 36 percent in June 1954. Undoubtedly, widows who could obtain employment and could leave their children believed that the difference between the income they could earn and the benefit amount more than offset the advantages of staying at home. It remains to be seen whether some will leave the labor market, at least temporarily, as a result of the rise in benefit amounts under the 1954 amendments.

Among widows under age 65 without children under age 18, employment is the most common and important source of income. Such widows are not eligible for old-age and survivors insurance benefits, aid to dependent children, or—unless they are widows of veterans whose deaths were service-connected—benefits under the veterans' programs. In June 1954 about 400,000 widows, or almost 1 in 7, received compensation from the Veterans Administration. About 1.6 million had some income from employment.

It may be assumed that a number of widows receive periodic payments under private insurance and annuity contracts—whether they have some income from employment and/or so-

\*Estimates of employment rates for children (based on Bureau of the Census data on the labor force for June 1954), applied under varying assumptions to the estimated number of orphans of working age, yield estimates of the number with earnings that vary from a low of 110,000 to a high of 280,000.

cial insurance or a related program or whether they have no income from any of the sources listed. Some probably have income from investments. Some of the widows without children under age 18 have to rely on general assistance for support, and some on the support of their adult children, as do older widows.

### Age of the Population and Per Capita Income, by State, 1953 \*

For every 100 persons aged 18-64 years in the continental United States in 1953, there were 72 persons dependent or potentially dependent—

\* Prepared in the Division of Research and Statistics, Office of the Commissioner.

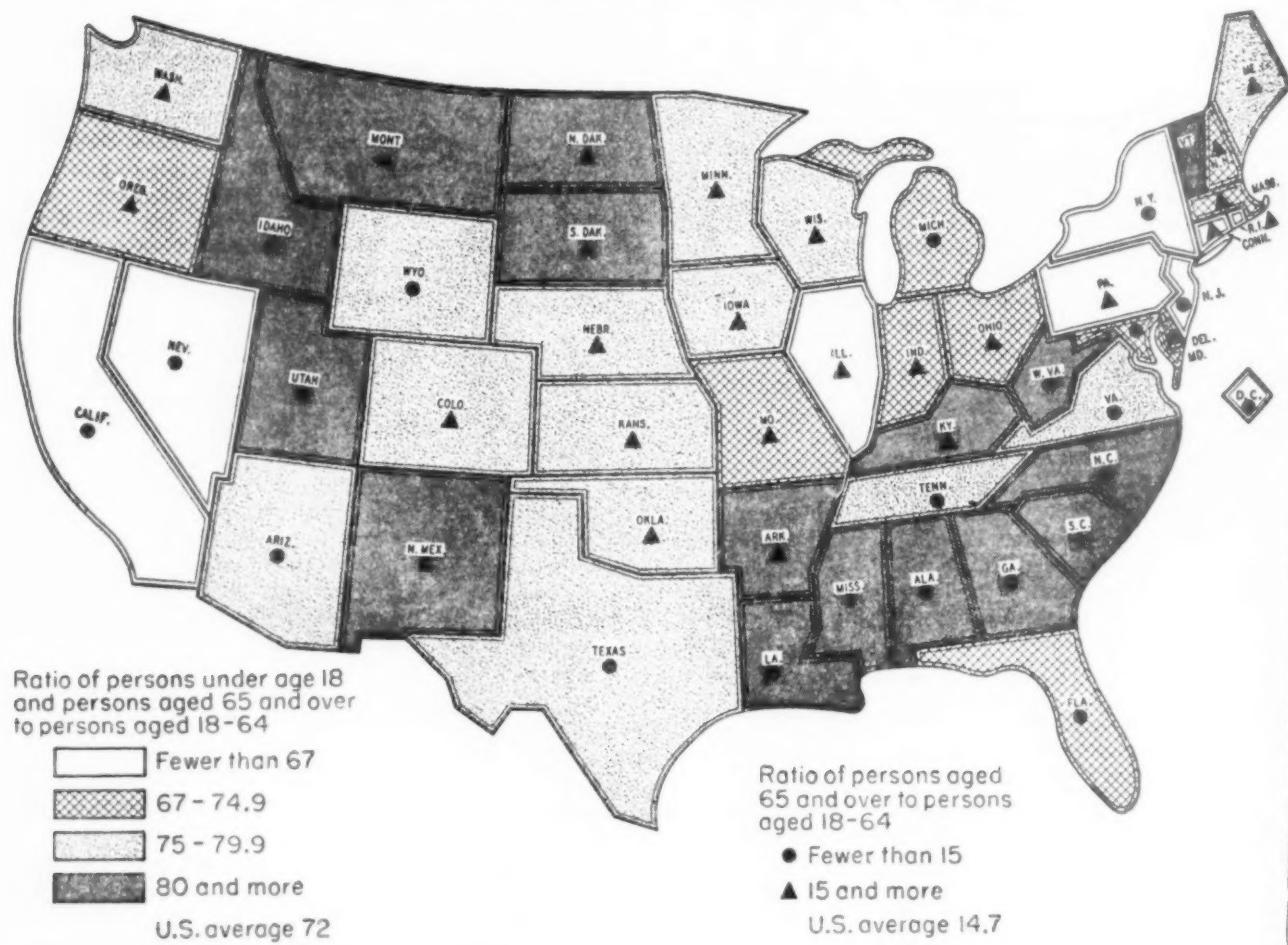
about four-fifths of them children under age 18, and the others aged 65 and over. In the 12 States with the lowest per capita incomes in 1953 there were 83 children and aged persons to every 100 adults of working age, or 25 percent more than in the 12 highest income States, where the ratio was 66 to 100.<sup>1</sup>

*Proportion of children and aged in the population.*—Children under age 18 were most numerous (41-43 percent) in relation to the total popu-

lation in the Southern agricultural States and the sparsely populated Mountain States, and they were relatively least numerous (28-30 percent) in the District of Columbia and in the densely populated, industrial States of New York, New Jersey, Massachusetts, and Connecticut (table 1).

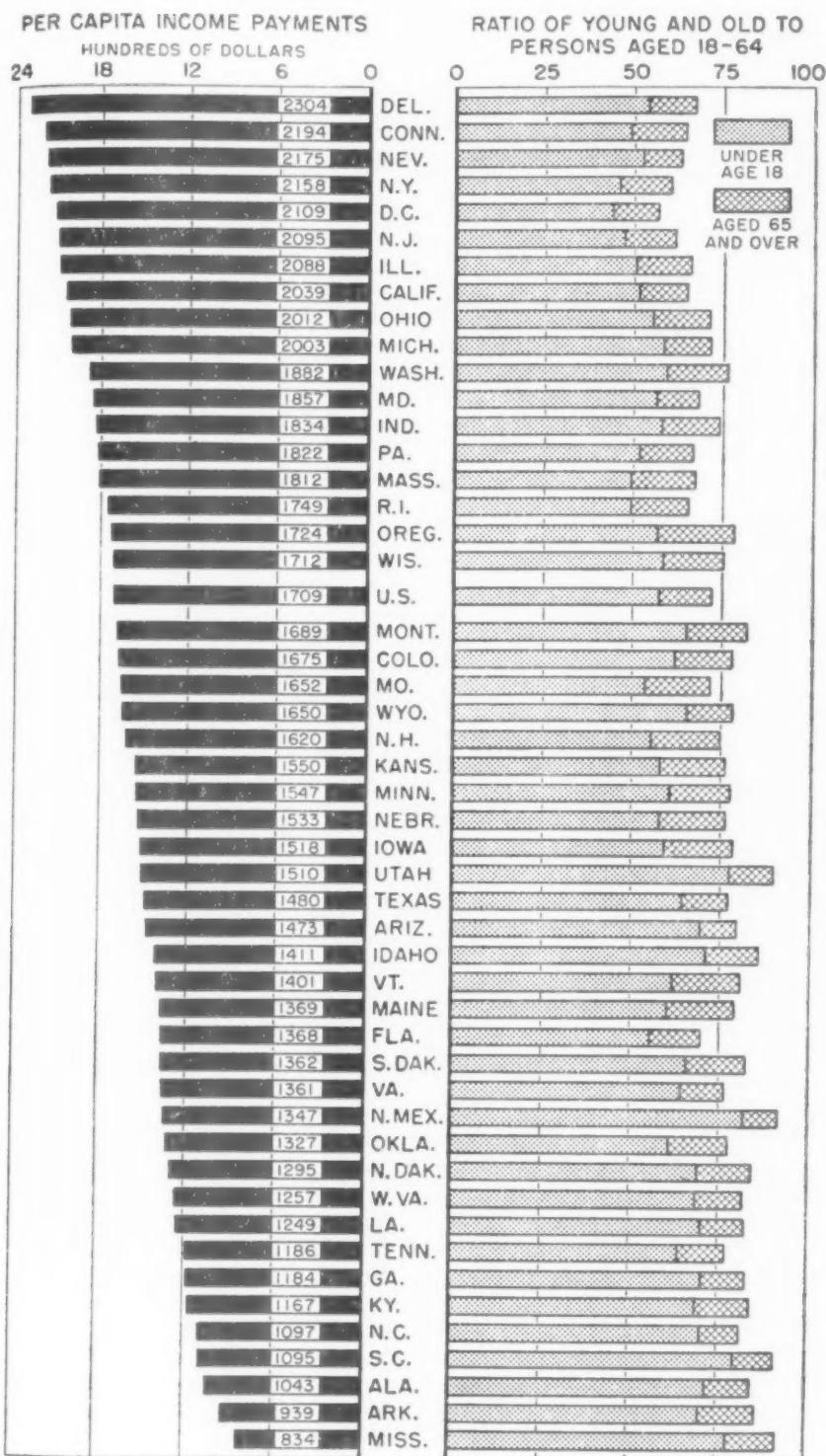
The proportion of the population aged 65 and over was largest (10-11 percent) in New England and the West North Central States, and smallest (5-6 percent) in those States where the child population was relatively large. As shown in chart 1, in the majority of the Northern and Middle Western States, the ratio of the population aged 65 and over to persons aged 18-64 exceeded the United States average.

Chart 1.—Ratio of young and old to persons aged 18-64, by State, 1953<sup>1</sup>



<sup>1</sup> Number of persons under age 18 and number of persons aged 65 and over per 100 persons in the population aged 18-64.

Chart 2.—*Per capita income payments and ratio of young and old to persons aged 18-64, by State, 1953*



State variation in the proportions in the different age groups was greatest for the group aged 65 and over. New Hampshire and Iowa had relatively twice as many aged persons as did New Mexico and Arkansas. Children under age 18 were about 50 percent more numerous in relation to the total State population in New Mexico and South Carolina than in the District of Columbia and New York. The relative frequency of persons aged 18-64 was, of course, the converse of the relative frequency of children plus the aged; and the percentage variation by State was smaller because the numbers involved were larger.

Although the population aged 65 and over has been growing rapidly, in mid-1953 children under age 18 outnumbered the older persons 4 to 1, compared with a ratio of 4.5 to 1 in mid-1940, when persons aged 65 and over were only about two-thirds as numerous. In 1953 the spread was at a maximum in New Mexico with 8 children to every aged person. Even where the spread was smallest, in Massachusetts, it was almost 3 to 1. Consequently, when the dependency burden is measured in rough terms by the proportion of the population under age 18 plus those aged 65 and over, it is in fact largely a function of the relative numbers of children. Indeed, three of the four States having the largest proportion of the population in the dependent age groups (South Carolina, New Mexico, and Utah with 47-48 percent) were among the five states where the aged comprised the smallest proportion of the population.

*Population dependency burden and per capita income.*—In 1953 there were more than 90 children and aged persons to every 100 civilians aged 18-64 in Mississippi, South Carolina, New Mexico, and Utah, in contrast to about 60 "dependents" to every 100 adults in the most productive age group in the District of Columbia, New York, New Jersey, and Nevada.

Per capita income and the burden of the dependent age groups were inversely correlated by State (chart 2). The six States with the smallest proportion of their population under age 18 and aged 65 and over were among the eight with the highest per

<sup>1</sup> Number of persons under age 18 and number of persons aged 65 and over per 100 persons in the population aged 18-64.

Table 1.—*Civilian population by age group and by State, July 1, 1953*

capita incomes. Conversely, the Southern and Mountain States, with a heavy population dependency burden, were all among the lowest third of the States ranked by per capita income.

The share of national income payments in 1953 and the proportion of all persons under age 18 and aged 65 and over in high- and low-income States are shown in the following tabulation.

States ranked by per capita income	Percent of total		
	Persons under age 18 and aged 65 and over	Income payments	
	12 highest	39	50
12 lowest	21	13	

The 12 low-income States, with an aggregate income only about one-fourth that of the 12 high-income States, had more than half as many persons in the dependent age groups—13.9 million compared with 25.5 million.

## Workmen's Compensation Payments and Costs, 1953

A total of \$846 million was paid in compensation for wage loss and in medical benefits under workmen's compensation programs in 1953. Although payments have continued to mount, the rate of increase has slowed down considerably; the 1953 total was only 7 percent greater than that in 1952, in contrast to increases of 11 percent and 15 percent for the preceding years.

The slower rate of increase is associated with an improvement in accident rates. Despite somewhat higher levels of employment during most of 1953, the total number of work injuries in that year and the resulting time loss were no higher than in 1952, according to estimates of the Bureau of Labor Statistics. If it is assumed that compensable injuries followed the pattern for all injuries (including those of workers not covered by the programs and the noncompensable accidents of covered workers), the increase in workmen's compensation payments reflects the higher wages

State	Number (in thousands)		Percent of total population			Number of young and old per 100 persons aged 18-64	
	Under age 18 <sup>1</sup>	Aged 65 and over	Under age 18 and aged 65 and over		Aged 18-64		
			Total	Under age 18	Aged 65 and over		
Total	51,971	13,324	41.8	33.3	8.5	58.2	72.0
Alabama	1,200	208	45.8	39.0	6.8	54.2	84.5
Arizona	353	51	44.3	38.7	5.6	55.6	79.7
Arkansas	714	159	46.2	37.8	8.4	53.8	85.8
California	3,660	973	39.4	31.1	8.3	60.6	64.9
Colorado	479	126	43.8	34.7	9.1	56.2	78.1
Connecticut	641	202	39.2	29.8	9.4	60.8	64.4
Delaware	114	28	40.1	32.2	7.9	59.9	67.0
Dist. of Col.	225	64	36.1	28.1	8.0	63.9	56.6
Florida	1,067	271	41.1	32.8	8.3	58.9	60.8
Georgia	1,354	236	45.4	38.6	6.7	54.6	83.0
Idaho	229	48	46.3	38.3	8.0	53.8	86.0
Illinois	2,718	835	39.7	30.4	9.3	60.3	65.8
Indiana	1,367	383	42.6	33.3	9.3	57.4	74.2
Iowa	865	280	44.0	33.2	10.8	56.0	78.5
Kansas	644	205	43.3	32.8	10.4	56.7	76.3
Kentucky	1,081	239	45.7	37.4	8.3	54.3	84.2
Louisiana	1,092	193	45.3	38.5	6.8	54.8	82.6
Maine	305	94	44.2	33.8	10.4	55.8	79.3
Maryland	824	175	40.5	33.4	7.1	59.4	68.2
Massachusetts	1,438	513	40.3	29.7	10.6	59.7	67.5
Michigan	2,329	523	41.7	34.1	7.6	58.3	71.6
Minnesota	1,042	291	43.7	34.2	9.5	56.2	77.7
Mississippi	879	154	47.9	40.7	7.1	52.1	91.8
Missouri	1,262	433	41.8	31.1	10.7	58.2	71.8
Montana	218	57	45.2	35.8	9.4	55.0	82.1
Nebraska	440	141	43.3	32.8	10.5	56.7	76.3
Nevada	64	13	38.7	32.2	6.5	61.3	63.1
New Hampshire	166	58	42.8	31.7	11.1	57.2	74.9
New Jersey	1,484	445	38.1	29.3	8.8	61.9	61.5
New Mexico	312	37	47.7	42.7	5.1	52.1	91.6
New York	4,325	1,392	37.7	28.5	9.2	62.3	60.5
North Carolina	1,594	244	44.9	38.9	6.0	55.2	81.3
North Dakota	233	51	45.8	37.6	8.2	54.2	84.5
Ohio	2,697	775	41.6	32.3	9.3	56.4	71.2
Oklahoma	765	204	43.7	34.5	9.2	56.3	77.6
Oregon	526	149	42.3	32.9	9.3	57.7	73.2
Pennsylvania	3,293	954	40.0	31.0	9.0	60.0	66.7
Rhode Island	234	75	39.6	30.0	9.6	60.4	85.6
South Carolina	892	123	47.6	41.8	5.8	52.4	90.8
South Dakota	235	59	45.2	36.2	9.1	54.8	82.6
Tennessee	1,196	245	43.6	36.2	7.4	56.5	77.2
Texas	2,912	577	43.5	36.4	7.1	56.4	77.2
Utah	269	47	47.3	40.9	6.4	52.7	88.9
Vermont	129	39	44.8	34.4	10.4	55.5	80.4
Virginia	1,222	229	43.4	36.5	6.8	56.0	76.6
Washington	807	232	43.3	33.6	9.7	56.7	76.3
West Virginia	732	140	45.0	37.8	7.2	54.9	82.0
Wisconsin	1,175	334	42.9	33.4	9.5	57.1	75.2
Wyoming	108	21	43.7	36.6	7.1	55.9	75.2

<sup>1</sup> Not adjusted for underenumeration of children under age 5.

Source: U. S. Bureau of the Census, *Current*

*Population Reports, Population Estimates, Series P-25, No. 106.*

on which cash benefits are based, as well as the higher costs of hospitalization and medical services.

As a rough indication of the higher wages to be compensated, payrolls covered by workmen's compensation programs were 8 percent higher in 1953 than in 1952. The payroll increase from \$137.5 billion to \$148.5 billion accompanied an increase of less than 3 percent in the number of covered workers in an average week, estimated to be somewhere between 38½ and 39½ million in 1952 and between 39½ and 40½ million in 1953.

Of the total payments of \$846 million in 1953, private carriers were responsible for 62 percent, State funds for 25 percent, and self-insurers for 13 percent. State fund disbursements, including payments to Federal Government employees, increased at a somewhat faster rate than private carrier payments—9.2 percent and 6.8 percent, respectively.

It is estimated that almost \$1.5 billion or 1.0 percent of covered payroll was spent by employers in 1953 to insure or self-insure their risks under workmen's compensation programs. This total consists of \$1,074

*Estimates of workmen's compensation payments, by State and type of insurance, 1953 and 1952*<sup>1</sup>

[In thousands]

State	Total	1953			1952			Percentage change in total payments from 1952		
		Insurance losses paid by private insurance carriers <sup>2</sup>	State fund disbursements <sup>3</sup>	Self-insurance payments <sup>4</sup>	Total	Insurance losses paid by private insurance carriers <sup>2</sup>	State fund disbursements <sup>3</sup>	Self-insurance payments <sup>4</sup>		
	\$645,700	\$524,005	\$210,776	\$111,018	\$785,046	\$490,793	\$193,089	\$104,164	+7.3	
Alabama	3,891	3,113	778	3,568	2,854	714	+9.1			
Arizona	6,406	136	6,100	170	5,890	92	5,673	125	+8.8	
Arkansas	4,485	3,675	810	4,551	3,761	790	-1.5			
California	78,553	53,646	18,287	6,620	73,431	50,126	17,115	6,190	+7.0	
Colorado	5,576	1,971	3,205	400	4,982	1,805	2,827	350	+11.9	
Connecticut	13,770	12,395	1,375	12,941	11,647	1,294	1,294	6,4	+6.4	
Delaware	1,159	929	230	1,078	863	215	215	7.5	+7.5	
District of Col.	2,598	2,368	230	2,642	2,402	240	240	-1.7	-1.7	
Florida	13,880	12,795	1,085	11,269	10,511	758	758	+23.2	+23.2	
Georgia	6,872	5,587	1,285	6,290	5,115	1,175	1,175	+9.3	+9.3	
Idaho	3,082	2,655	657	370	2,701	620	330	+14.1	+14.1	
Illinois	42,288	34,350	7,938	38,120	30,720	7,400	7,400	+10.9	+10.9	
Indiana	13,803	11,758	2,045	12,646	10,772	1,874	1,874	+9.1	+9.1	
Iowa	6,535	5,235	1,300	6,099	4,879	1,220	1,220	+7.1	+7.1	
Kansas	6,742	5,312	1,430	6,240	4,910	1,330	1,330	+8.0	+8.0	
Kentucky	9,443	6,183	3,260	8,645	5,655	2,990	2,990	+9.2	+9.2	
Louisiana	16,889	14,319	2,570	14,942	12,662	2,280	2,280	+13.0	+13.0	
Maine	2,221	1,931	290	2,280	1,980	300	300	-2.6	-2.6	
Maryland	9,829	7,377	1,052	1,400	9,065	6,911	904	1,250	+8.4	
Massachusetts	34,581	32,021	2,560	30,239	27,999	2,240	2,240	+14.4	+14.4	
Michigan	27,918	18,211	1,742	7,965	24,808	16,330	1,568	7,000	+12.1	
Minnesota	12,910	10,710	2,200	12,427	10,305	2,122	2,122	+3.9	+3.9	
Mississippi	3,913	3,583	330	3,589	3,257	332	332	+9.0	+9.0	
Missouri	15,788	12,733	3,055	14,709	11,959	2,750	2,750	+7.3	+7.3	
Montana	3,282	1,276	1,529	477	3,124	1,114	1,292	718	+5.1	
Nebraska	3,159	3,029	130	3,090	2,963	127	127	+2.2	+2.2	
Nevada	3,000	2	2,858	140	2,434	11	2,308	115	+23.3	+23.3
New Hampshire	2,146	2,106	40	2,077	2,037	40	40	+3.3	+3.3	
New Jersey	40,988	35,638	5,350	38,573	33,543	5,030	5,030	+6.3	+6.3	
New Mexico	4,510	4,170	340	3,578	3,308	270	270	+26.0	+26.0	
New York	147,145	98,873	34,454	23,818	144,040	88,051	32,469	23,520	+2.2	
North Carolina	8,807	7,457	1,350	8,160	6,935	1,225	1,225	+7.9	+7.9	
North Dakota	1,433	2	1,431	1,231	3	1,228	1,228	+16.4	+16.4	
Ohio	57,970	56,324	7,990	53,299	46,251	6,950	6,950	+8.8	+8.8	
Oklahoma	11,310	9,042	1,158	1,140	10,680	8,854	780	1,046	+6.2	
Oregon	13,523	1,548	11,975	12,982	2,190	10,792	10,792	+4.2	+4.2	
Pennsylvania	37,652	22,850	2,842	31,960	36,206	21,889	2,817	11,500	+4.0	
Rhode Island	5,617	5,342	275	5,417	5,167	250	250	+3.7	+3.7	
South Carolina	4,877	3,897	980	4,583	3,663	920	920	+6.4	+6.4	
South Dakota	1,051	891	160	950	805	145	145	+10.6	+10.6	
Tennessee	7,974	6,324	1,650	6,602	5,307	1,385	1,385	+19.2	+19.2	
Texas	47,329	47,329	44,465	44,465	44,465	44,465	44,465	6,4	+6.4	
Utah	2,352	342	1,020	390	2,297	1,000	917	390	+2.4	
Vermont	1,288	1,168	120	1,153	1,048	105	105	+11.7	+11.7	
Virginia	7,380	5,905	1,475	6,815	5,415	1,400	1,400	+8.3	+8.3	
Washington	19,483	266	18,767	450	18,737	426	17,861	450	+4.0	
West Virginia	11,625	40	10,884	701	10,909	28	10,359	522	+6.6	
Wisconsin	16,225	13,409	2,816	15,990	13,193	2,797	2,797	+1.5	+1.5	
Wyoming	1,155	20	1,135	1,088	14	1,074	1,074	+6.2	+6.2	
Federal employees	41,356	41,356	36,234	36,234	36,234	36,234	36,234	+14.1	+14.1	

<sup>1</sup> Data for 1953 preliminary. Calendar-year figures except for Montana and West Virginia, for Federal employees, and for State fund disbursements in Idaho, Maryland, Nevada, North Dakota, Oregon, and Utah, for which data for fiscal years ended in 1952 and 1953 were used. Includes benefit payments under the Longshoremen's and Harbor Workers' Compensation Act and the Defense Base Compensation Act for the States in which such payments are made.

<sup>2</sup> Net cash and medical benefits paid by private insurance carriers under standard workmen's compensation policies. Data primarily from the *Spectator*.

million in premiums paid to private insurance carriers; \$295 million in premiums paid to State funds (in the case of the program for Federal employees, which is financed through

*tor: Insurance by States of Fire, Marine, Casualty, Surety and Miscellaneous Lines, 81st and 82nd annual issues.*

<sup>3</sup> Net cash and medical benefits paid by State funds; compiled from State reports (published and unpublished) and from the *Spectator*; estimated for some States.

<sup>4</sup> Cash and medical benefits paid by self-insurers, plus the value of medical benefits paid by employers carrying workmen's compensation policies that do not include the standard medical coverage. Estimated from available State data.

congressional appropriations, these "premiums" are the sum of the benefit payments and the cost of the administrative agency); and about \$120 million as the cost of self-insur-

ance (benefits paid by self-insurers, increased 5-10 percent to allow for their administrative costs).

Benefit payments of \$846 million represented about 57 percent of the aggregate of \$1.5 billion in premiums.

Medical and hospitalization benefits amounted to \$280 million in 1953, somewhat more than a third of total payments. Of the \$566 million in non-medical payments, seven-eighths took the form of cash compensation for nonfatal injuries and the remaining eighth was paid in death cases. The distributions by type of payment for 1953 and for 1952 are shown below.

[In millions]

Type of payment	1953	1952
Total	\$846	\$788
Medical and hospitalization	260	260
Compensation, total	566	528
Disability	496	463
Survivor	70	65

## Recent Publications\*

### Social Security Administration

**CHILDREN'S BUREAU. *The Adolescent in Your Family*,** by Marion L. Faegre. (Children's Bureau Publication No. 347.) Washington: U.S. Govt. Print. Off., 1954. 110 pp. 25 cents.

**CHILDREN'S BUREAU. *Diagnoses of Children Served in the Crippled Children's Program, 1950*.** (Statistical Series, No. 21.) Washington: The Bureau, 1954. 26 pp. Processed. A summary analysis of all diagnoses and a detailed analysis of seven selected diagnostic groups. Limited free distribution; apply to the Children's Bureau, Social Security Administration, Washington 25, D.C.

**DIVISION OF THE ACTUARY. *Summary of the Old-Age and Survivors Insurance System as Modified by the 1954 Amendments*.** Washington: The Division, Aug. 1954. 7 pp. Processed. Limited free distribution; apply to the Division of the

(Continued on page 26)

\* Prepared in the Departmental Library, Department of Health, Education, and Welfare. Orders for items listed should be directed to publishers and booksellers; Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

# Current Operating Statistics

**Table 1.—Selected social insurance and related programs, by specified period, 1940-54**  
 [In thousands; data corrected to Nov. 5, 1954]

Year and month	Total	Retirement, disability, and survivor programs												Unemployment insurance programs															
		Monthly retirement and disability benefits <sup>1</sup>				Survivor benefits						Temporary disability benefits <sup>2</sup>		State laws <sup>10</sup>	Railroad Unemployment Insurance Act <sup>11</sup>	Veterans' legislation <sup>12</sup>													
		Social Security Act	Rail-Road Retirement Act	Civil Service Commission <sup>3</sup>	Veterans Administration <sup>4</sup>	Monthly			Lump-sum <sup>5</sup>			Social Security Act	Other <sup>6</sup>																
						Social Security Act <sup>4</sup>	Rail-Road Retirement Act <sup>5</sup>	Civil Service Commission <sup>3</sup>	Veterans Administration <sup>4</sup>	Social Security Act	Other <sup>6</sup>																		
Number of beneficiaries																													
1953																													
September	4,040,6	375,5	194,3	2,530,1	1,728,1	159,0	52,5	1,092,4	35,4	11,4	34,1	36,0	651,4	29,1	28,3														
October	4,090,2	376,8	195,9	2,538,5	1,747,0	159,8	53,5	1,089,5	44,0	11,6	34,1	33,9	655,9	24,9	30,1														
November	4,143,5	378,8	197,5	2,544,4	1,762,6	160,7	54,2	1,089,1	39,0	11,3	34,8	34,4	808,6	31,5	40,6														
December	4,199,8	381,4	199,2	2,552,3	1,781,6	161,7	52,8	1,095,0	42,1	11,1	34,3	36,3	1,124,5	47,1	68,9														
1954																													
January	4,253,4	382,7	200,3	2,556,8	1,798,0	162,5	53,2	1,102,7	41,2	11,2	34,3	37,0	1,592,4	68,4	102,5														
February	4,315,9	383,7	201,9	2,560,3	1,812,9	162,9	56,5	1,106,8	40,9	11,6	35,0	30,4	1,864,1	88,1	118,0														
March	4,395,7	386,5	202,3	2,565,6	1,834,6	163,4	57,5	1,111,1	49,6	14,0	39,4	29,9	1,953,3	102,5	138,5														
April	4,466,4	388,8	204,4	2,575,1	1,856,5	164,2	58,4	1,115,2	51,2	13,3	37,6	27,3	1,893,9	99,9	139,5														
May	4,524,4	391,5	205,7	2,583,0	1,873,3	164,9	59,1	1,116,8	44,2	11,8	36,1	23,4	1,849,6	93,2	103,7														
June	4,577,5	392,6	207,3	2,590,4	1,891,3	165,7	60,6	1,129,9	44,8	12,1	39,2	27,6	1,817,6	95,9	98,2														
July	4,620,3	393,9	208,6	2,598,0	1,901,0	165,3	61,9	1,130,1	40,9	11,7	37,7	24,1	1,597,3	96,3	78,8														
August	(12)	398,5	210,8	2,605,8	(12)	165,7	61,7	1,133,9	46,8	12,0	38,8	36,2	1,522,6	90,5	103,8														
September	(12)	398,6	212,1	2,612,0	(12)	165,2	62,4	1,133,6	34,7	10,7	37,6	33,5	1,413,9	91,4	97,6														
Amount of benefits <sup>13</sup>																													
1940																													
1,183,462	\$17,150	\$114,166	\$62,019	\$317,851	\$6,371	\$1,448	-----	\$105,696	\$11,833	\$12,267	-----	-----	\$518,700	\$15,961															
1,079,648	51,169	119,912	64,033	320,561	23,644	1,559	-----	111,799	13,270	13,943	-----	-----	344,321	14,537															
1,124,351	76,147	122,806	68,115	325,265	39,523	1,603	-----	111,193	15,005	14,342	-----	-----	344,084	6,298															
914,553	92,943	125,795	72,961	331,350	55,152	1,704	-----	116,133	17,843	17,255	\$2,857	-----	79,613	917															
1,109,673	113,487	129,707	77,193	436,279	73,451	1,765	-----	114,302	22,034	19,238	5,035	-----	62,356	\$4,215	582														
2,051,694	148,197	137,140	83,874	697,830	59,651	1,772	-----	254,238	26,127	23,431	4,669	-----	445,866	126,630	2,359														
5,140,174	222,320	149,188	94,585	1,268,084	127,933	1,817	-----	333,640	27,851	30,610	4,761	-----	1,694,850	1,743,718	39,917														
287,554	177,053	106,576	57,626	676,029	149,179	19,283	-----	382,515	29,460	33,115	26,024	\$11,368	776,165	970,542	39,401														
4,684,561	208,642	132,852	171,182	171,837	36,011	-----	-----	413,912	32,315	32,140	35,592	30,843	793,265	510,167	28,599														
4,490,297	240,863	158,973	169,621	195,586	39,257	4,317	-----	477,406	33,158	31,771	59,066	39,103	1,737,279	430,194	103,596														
5,672,234	240,420	175,787	173,232	276,078	145,043	45,884	8,409	491,579	32,740	33,578	89,259	28,099	1,373,426	34,653	59,804														
5,286,020	254,240	195,529	164,738	506,803	49,527	14,014	519,398	53,337	33,376	147,846	26,297	840,411	2,234	20,217															
651,409	268,733	196,529	164,738	506,803	49,527	14,014	519,398	53,337	33,376	186,632	45,150	962,221	41,698	46,684															
6,452,932	1,539,327	361,200	225,120	1,722,225	501,504	74,085	19,980	572,983	63,298	37,251	167,665	34,689	998,267	3,539	41,793														
7,540,028	2,175,311	374,112	269,300	1,840,437	743,536	83,319	27,325	613,475	87,451	43,377	120,780	5,039	5,039	6,869															
1953																													
September	598,571	181,783	30,368	23,088	153,951	61,394	6,666	2,355	50,179	6,140	3,630	3,882	4,267	65,300	3,042	2,521													
October	606,422	184,372	30,467	23,215	155,499	62,201	6,709	2,415	50,491	7,630	3,580	3,875	4,248	66,104	2,509	3,017													
November	624,487	187,174	30,637	23,400	154,207	62,883	6,759	2,413	52,595	6,733	3,794	3,781	4,116	78,979	3,093	3,903													
December	674,819	190,103	30,833	23,720	155,707	63,689	6,813	2,472	49,694	7,282	3,279	4,087	4,452	120,780	5,039	6,869													
1954																													
January	723,319	193,087	30,934	23,761	155,920	64,412	6,856	2,502	52,075	7,160	3,385	3,768	4,156	158,418	6,588	10,296													
February	748,448	196,535	31,041	23,959	155,699	65,078	6,883	2,518	50,214	7,082	3,421	3,731	3,336	179,284	8,086	11,551													
March	804,247	200,703	31,305	24,249	157,558	65,983	6,919	2,588	51,630	8,580	4,039	4,900	3,792	215,650	10,817	15,464													
April	792,084	204,396	31,526	24,321	157,612	66,908	6,966	2,608	50,761	8,858	4,198	4,587	3,236	200,837	10,129	15,201													
May	774,260	207,399	31,751	24,527	157,317	67,672	7,002	2,645	51,269	7,734	3,522	4,248	2,815	185,601	8,956	11,742													
June	785,941	210,254	32,859	24,641	157,624	68,448	7,049	2,699	51,194	7,926	3,530	4,875	3,239	190,959	9,736	10,827													
July	790,974	212,596	33,120	24,905	157,765	68,896	7,049	2,736	49,996	7,180	3,559	4,720	2,685	167,980	9,885	7,902													
August	769,805	(12)	33,312	25,204	159,293	(12)	7,076	2,767	51,311	8,376	3,547	4,862	4,414	162,673	10,230	11,890													
September	799,308	(12)	33,441	25,356	158,058	(12)	7,445	2,801	51,195	6,153	3,020	4,728	5,033	153,737	9,440	12,943													

<sup>1</sup> Under the Social Security Act, retirement benefits—old-age, wife's, and husband's benefits, and benefits to children of old-age beneficiaries—partly estimated.

<sup>2</sup> Under the other 3 systems, benefits for age and disability; beginning December 1951, spouse's annuities under the Railroad Retirement Act.

<sup>3</sup> Data for civil-service retirement and disability fund; excludes noncontributory payments made under the Panama Canal Construction Annuity Act.

<sup>4</sup> Through June 1948, retirement and disability benefits include payments to survivors under joint and survivor elections.

<sup>5</sup> Pensions and compensation, and subsistence payments to disabled veterans undergoing training.

<sup>6</sup> Mother's, widow's, widower's, parent's, and child's benefits; partly estimated.

<sup>7</sup> Annuities to widows under joint and survivor elections and, beginning February 1947, survivor benefits—widow's, widower's (first paid December 1951), widow's current, parent's, and child's benefits.

<sup>8</sup> Payments to widows, parents, and children of deceased veterans.

<sup>9</sup> Number of decedents on whose account lump-sum payments were made.

<sup>10</sup> Payments under the Railroad Retirement Act and Federal civil-service and veterans' programs.

<sup>11</sup> First payable in Rhode Island, April 1943; in California, December 1946; in New Jersey, January 1949; in New York, July 1950 (monthly data not available); and under the railroad program, July 1947. Excludes hospital benefits in California; also excludes private plans in California and New Jersey except for calendar-year totals.

<sup>12</sup> Represents average weekly number of beneficiaries in a 14-day registration period.

<sup>13</sup> Beginning September 1944, under the Servicemen's Readjustment Act, readjustment allowances to unemployed and self-employed veterans of World War II. Beginning November 1952, under the Veterans' Readjustment Assistance Act, unemployment compensation benefits to veterans with military service since June 1950. Number represents average weekly claims paid.

<sup>14</sup> Data by type of benefit not available; amount paid for all types of benefits included in total (for August \$284,900,000, partly estimated, and for September \$325,957,000).

<sup>15</sup> Payments: under the Social Security Act annual data represent Treasury disbursements and under the Railroad Retirement Act, amounts certified (for both programs monthly data for monthly benefits represent benefits in current payment status); under the State unemployment and temporary disability insurance laws, the Servicemen's Readjustment Act, and the Veterans' Readjustment Assistance Act, checks issued; for civil service programs, disbursements through June 1949 and authorizations beginning July 1949. Adjusted on annual basis except for civil-service data and payments under the Railroad Unemployment Insurance Act, which are adjusted monthly.

<sup>16</sup> Preliminary.

<sup>17</sup> Source: Based on reports of administration agencies.

Table 2.—Estimated payrolls in employment covered by selected programs in relation to civilian wages and salaries, by specified period, 1939-54<sup>1</sup>

[Corrected to Nov. 9, 1954]

Period	Wages and salaries <sup>2</sup>		Payrolls <sup>3</sup> covered by—		
	Total	Civilian	Old-age and survivors insurance <sup>4</sup>	State unemployment insurance <sup>5</sup>	Railroad retirement and unemployment insurance <sup>6</sup>
Amount (in millions)					
Calendar year:					
1939	\$45,939	\$45,552	\$32,125	\$28,990	\$2,180
1940	49,818	49,255	35,560	32,352	2,280
1941	62,087	60,221	45,286	41,965	2,697
1942	82,107	75,939	57,950	54,548	3,394
1943	105,619	91,486	69,379	65,871	4,100
1944	117,015	96,982	73,060	68,886	4,523
1945	117,563	95,744	71,317	66,411	4,530
1946	111,964	104,046	79,003	73,145	4,883
1947	122,839	118,771	92,088	86,234	5,113
1948	135,135	131,165	101,892	95,731	5,539
1949	134,376	130,128	99,645	93,520	5,113
1950	146,527	141,528	109,439	102,835	5,327
1951	170,776	162,136	132,000	118,243	6,101
1952	185,070	174,636	143,000	127,320	6,185
1953	198,057	187,773	156,000	138,657	6,147
1954					
January-March	48,015	45,438	37,000	32,885	1,476
April-June	49,368	46,750	38,000	34,265	1,553
July-September	50,159	47,575	39,000	34,651	1,591
October-December	50,515	48,010	42,000	36,856	1,527
January-March	47,878	45,446	38,000	32,465	1,382
Percent of civilian wages and salaries					
Calendar year:					
1939	100.0	70.5	63.6	4.8	
1940	100.0	72.2	65.7	4.6	
1941	100.0	75.2	69.7	4.5	
1942	100.0	76.3	71.8	4.5	
1943	100.0	75.8	72.0	4.5	
1944	100.0	75.3	71.0	4.7	
1945	100.0	74.5	69.4	4.7	
1946	100.0	75.9	70.3	4.7	
1947	100.0	77.5	72.6	4.3	
1948	100.0	77.7	73.0	4.2	
1949	100.0	76.6	71.9	3.9	
1950	100.0	77.3	72.7	3.8	
1951	100.0	81.4	72.9	3.8	
1952	100.0	81.9	72.9	3.5	
1953	100.0	83.1	73.8	3.3	
January-March					
April-June	100.0	81.4	72.4	3.2	
July-September	100.0	81.3	73.3	3.3	
October-December	100.0	82.0	72.8	3.3	
January-March	100.0	87.5	76.8	3.2	
1954					
January-March	100.0	79.2	71.4	3.0	

<sup>1</sup> Continental United States, except as otherwise noted (see footnotes 2 and 7).

<sup>2</sup> Represents estimated wages and salaries, in cash and in kind, earned in specified period in continental United States and, in addition, pay of Federal civilian personnel in all other areas; includes employee contributions to social insurance and related programs. Quarterly data reflect prorating of year-end bonus payments.

<sup>3</sup> Wages paid in specified period.

<sup>4</sup> Through 1950 represents taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program; beginning Jan. 1, 1951, taxable wages plus estimated nontaxable wages in excess of \$3,600. Excludes

earnings of self-employed persons covered since Jan. 1, 1951.

<sup>5</sup> Taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939.

<sup>6</sup> Beginning 1947, includes temporary disability insurance.

<sup>7</sup> Taxable wages plus nontaxable wages in excess of \$300 a month; includes a small amount of taxable wages for Alaska and Hawaii.

Source: Data on wages and salaries from the Office of Business Economics, Department of Commerce; data on payrolls for selected programs based on reports of administrative agencies.

Table 3.—*Federal grants to States under the Social Security Act: Checks issued by the Treasury Department in fiscal years 1952-53 and 1953-54*

[In thousands]

State	Total, fiscal year 1952-53	Fiscal year 1953-54								
		Total	Old age assistance	Aid to the permanently and totally disabled <sup>1</sup>	Aid to dependent children	Aid to the blind	Employ- ment security <sup>2</sup>	Maternal and child health services	Services for crippled children	Child welfare services
Total	\$1,559,213.7	\$1,667,029.7	\$960,582.5	\$24,891.3	\$364,923.3	\$37,119.5	\$200,132.8	\$11,898.1	\$10,727.1	\$6,755.2
Alabama	30,924.9	30,605.7	17,588.2	2,236.0	6,708.4	376.0	2,658.3	447.7	362.1	226.0
Alaska	2,248.9	2,301.4	668.4	—	657.0	24.7	692.5	80.0	142.1	36.4
Arizona	16,178.4	11,671.7	5,550.4	—	3,169.9	304.9	1,871.7	116.8	—	64.0
Arkansas	25,407.1	22,652.4	15,236.9	719.6	3,430.9	622.5	1,936.8	241.0	292.5	172.8
California	170,957.5	191,680.5	123,105.4	—	41,188.2	5,536.5	29,743.7	484.1	318.1	161.1
Colorado	28,817.3	28,296.2	20,201.7	1,787.8	4,059.0	144.9	1,617.5	194.0	69.6	72.7
Connecticut	11,506.4	13,371.4	6,615.2	—	3,074.0	126.6	3,182.7	124.3	182.9	65.9
Delaware	1,738.4	2,064.5	618.6	39.1	624.1	112.5	476.9	84.5	69.1	39.7
District of Columbia	4,272.5	4,660.6	1,095.1	680.3	1,774.4	161.1	694.4	154.3	132.2	28.9
Florida	36,098.3	42,140.7	26,451.0	—	10,905.4	1,283.9	2,946.9	247.7	189.8	124.8
Georgia	43,099.6	47,222.6	31,115.1	2,404.5	8,536.9	1,127.7	2,952.3	431.0	369.2	294.9
Hawaii	4,426.9	4,338.5	652.0	486.2	2,197.8	41.9	643.9	136.2	139.5	42.0
Idaho	5,715.3	6,945.3	3,713.6	381.0	1,513.4	38.3	1,044.7	85.8	78.5	40.0
Illinois	69,229.4	69,470.1	39,854.9	2,380.0	15,813.0	1,571.2	9,019.6	314.7	313.6	163.1
Indiana	21,413.0	24,353.6	13,735.4	—	5,763.7	704.5	3,710.2	193.3	155.0	61.6
Iowa	24,077.0	23,878.2	16,780.2	—	4,388.4	575.2	1,612.3	153.2	211.5	157.4
Kansas	18,865.9	21,871.8	15,385.0	1,340.6	3,057.5	284.7	1,466.6	127.2	120.9	109.4
Kentucky	29,354.7	34,278.2	18,424.8	—	11,761.2	895.0	2,335.4	334.7	355.0	232.1
Louisiana	75,661.0	68,429.0	48,727.8	4,380.6	11,169.0	741.5	2,700.5	314.5	238.2	198.9
Maine	8,467.4	9,921.0	5,306.4	—	3,144.3	237.9	981.4	92.2	87.1	71.6
Maryland	12,890.5	13,723.4	3,744.9	1,572.8	4,659.6	174.0	3,492.2	322.7	260.7	97.0
Massachusetts	59,929.9	58,174.8	35,584.3	4,483.1	8,110.3	784.1	8,621.2	322.6	192.6	76.6
Michigan	60,506.3	57,398.3	32,082.8	804.5	13,256.7	772.0	9,505.4	340.8	315.3	210.7
Minnesota	28,580.0	28,822.8	19,457.3	102.8	5,086.3	524.0	3,047.4	224.4	216.3	164.3
Mississippi	22,188.8	24,996.1	16,990.5	573.5	3,710.8	966.0	1,960.9	338.4	292.8	213.3
Missouri	66,816.7	82,124.8	4,308.1	6,293.1	13,007.9	1,337.5	3,567.4	259.2	250.8	169.7
Montana	7,216.8	7,927.3	4,196.6	604.8	1,696.3	223.6	979.4	85.1	89.7	61.7
Nebraska	9,824.4	10,867.9	5,539.3	—	1,563.5	322.6	807.1	91.3	103.9	40.3
Nevada	1,859.7	1,900.9	1,113.5	—	171.5	39.7	596.3	65.1	52.4	33.9
New Hampshire	4,702.1	4,824.7	2,826.6	67.5	912.0	125.2	689.3	71.3	84.0	48.8
New Jersey	21,125.8	20,639.0	7,835.2	1,305.0	3,652.0	375.6	7,673.6	145.9	173.5	78.3
New Mexico	8,659.9	11,440.6	4,654.3	734.8	4,529.4	180.7	1,057.6	108.7	76.0	69.4
New York	136,624.9	133,256.7	44,159.3	16,162.6	40,340.1	1,586.0	29,681.0	436.0	337.5	183.1
North Carolina	28,779.6	36,314.5	15,465.7	2,929.5	11,678.5	1,834.8	3,734.7	523.6	425.3	333.0
North Dakota	5,430.5	5,272.5	3,033.5	292.9	1,014.0	41.3	601.0	86.8	85.2	44.8
Ohio	57,920.2	68,654.8	42,684.7	3,651.3	10,356.3	1,654.3	9,733.5	383.3	329.6	162.7
Oklahoma	54,615.1	52,860.8	37,851.1	1,904.6	9,380.2	884.3	2,301.8	160.4	236.2	142.2
Oregon	13,187.4	15,706.7	8,563.7	1,157.9	2,639.4	159.5	2,578.8	110.4	99.4	57.5
Pennsylvania	62,095.2	70,975.6	23,758.4	4,622.9	20,399.9	3,924.7	17,696.9	467.5	446.2	298.3
Puerto Rico	4,613.4	5,831.6	1,729.4	617.4	1,869.2	53.0	733.2	370.2	315.7	162.6
Rhode Island	7,740.7	7,420.5	3,021.0	435.0	2,018.8	73.0	1,649.1	83.3	101.1	39.1
South Carolina	19,631.8	21,607.1	12,475.7	2,621.6	3,360.3	550.1	2,445.2	262.1	284.4	207.7
South Dakota	6,692.5	6,843.1	4,022.7	199.1	1,854.5	75.7	476.1	63.9	79.1	71.9
Tennessee	34,234.9	38,959.1	29,879.4	331.5	12,791.8	1,678.3	2,875.2	424.6	351.2	227.1
Texas	89,592.6	96,410.8	72,751.5	—	11,611.4	2,249.4	8,450.3	519.5	567.7	321.1
Utah	8,108.5	8,429.1	3,777.6	698.6	2,245.5	90.7	1,379.0	125.4	114.7	57.6
Vermont	3,758.6	4,140.5	2,445.1	118.8	687.8	66.9	618.3	78.8	72.7	62.1
Virgin Islands	325.0	293.4	62.7	7.1	23.8	3.2	22.0	80.4	61.0	30.2
Virginia	12,910.0	15,125.8	5,111.8	1,547.1	5,332.8	425.2	1,841.4	344.2	310.1	213.3
Washington	35,744.5	41,193.7	26,770.4	2,668.6	6,801.1	356.1	4,081.5	169.9	146.4	109.7
West Virginia	22,649.3	23,673.0	7,171.3	2,148.7	11,933.5	358.6	1,518.8	219.7	141.7	177.8
Wisconsin	25,170.8	28,606.7	18,030.4	504.8	5,805.8	514.7	3,147.6	197.1	246.6	169.8
Wyoming	3,195.3	2,588.0	1,696.5	183.6	385.5	30.5	551.8	76.2	53.4	40.4

<sup>1</sup> States for which no grant is shown either had no approved plan or State plan was approved too late to receive grant during this period.

<sup>2</sup> Excludes grants made to State employment security agencies as agents for the United States for the payment of unemployment compensation to veterans under the Veterans' Readjustment Assistance Act of 1952, operating costs of the

District of Columbia Employment Center, and a small payment to Railroad Retirement Board for informational services to States.

\* No plan approved by the Social Security Administration.

Source: Unpublished data of administrative agencies.

#### RECENT PUBLICATIONS

(Continued from page 23)

Actuary, Social Security Administration, Washington 25, D. C.

#### General

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INTERNATIONAL LABOR OFFICE. *Welfare Facilities for Workers*. (International Labor Conference, Thirty-

Eighth Session, 1955, Report VIII (1).) Geneva: The Office, 1954. 96 pp.

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(Continued on page 31)

Social Security

Table 4.—Contributions and taxes collected under selected social insurance and related programs, by specified period, 1952-54

[In thousands]

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions <sup>1</sup>	Federal civil-service contributions <sup>2</sup>	Taxes on carriers and their employees	State unemployment contributions <sup>3</sup>	Federal unemployment taxes <sup>4</sup>	Railroad unemployment insurance contributions <sup>5</sup>
Fiscal year:						
1952-53	\$1,096,602	\$744,616	\$626,650	\$1,367,806	\$275,825	\$25,066
1953-54	4,589,923	4,455,721	602,703	1,246,230	624,978	6,781
1 months ended:						
September 1952	860,402	431,323	159,980	392,316	23,151	6,281
September 1953	1,002,407	144,375	160,851	380,205	19,305	6,396
September 1954	1,207,407	133,757	135,678	325,670	20,409	5,830
1953						
September	258,748	36,611	52,960	7,208	2,390	4,231
October	173,685	33,072	14,302	102,289	2,084	17
November	398,352	36,431	89,986	187,421	16,769	768
December	152,597	38,097	51,430	13,776	3,293	5,593
1954						
January	84,670	36,320	12,765	64,165	8,552	2,161
February	609,224	44,208	85,049	143,236	189,235	862
March	507,809	35,230	49,068	8,476	18,653	5,200
April	284,915	24,069	5,625	132,866	3,294	128
May	777,733	23,439	87,468	195,905	18,773	1,160
June	508,529	36,415	40,168	7,893	1,000	7,607
July	718,264	160,722	7,694	120,538	1,563	425
August	764,227	42,536	79,783	192,454	17,894	944
September	224,915	30,498	48,202	6,678	951	4,401

<sup>1</sup> Represents contributions of employees and employers in employments covered by old-age and survivors insurance (beginning December 1952, adjusted for employee-tax refunds); from May 1951, includes deposits made in the trust fund by States under voluntary coverage agreements; beginning January 1951, on an estimated basis.

<sup>2</sup> Represents employee and Government contributions to the civil-service retirement and disability fund; Government contributions are made in 1 month for the entire fiscal year.

<sup>3</sup> Represents deposits in State clearing accounts of contributions plus penalties and interest collected from employers and, in 2 States, contributions from employees; excludes contributions collected for deposit in State sickness insurance funds. Data reported by State agencies.

<sup>4</sup> Represents taxes paid by employers under the Federal Unemployment Tax Act.

<sup>5</sup> Beginning 1947, also covers temporary disability insurance.

<sup>6</sup> Monthly data do not add to fiscal year totals shown due to changes in Treasury accounts, effective Feb. 17, 1954. Fiscal-year totals as shown in the *Monthly Statement of Receipts and Expenditures for the U. S. Government for the Period ... through June 30, 1954*.

<sup>7</sup> Includes contributions from the Federal Government.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

Table 5.—Status of the unemployment trust fund, by specified period, 1936-54

[In thousands]

Period	Total assets at end of period	Net total of U. S. Government securities acquired <sup>1</sup>	Unexpended balance at end of period	State accounts				Railroad unemployment Insurance account <sup>2</sup>			
				Deposits	Interest credited	Withdrawals <sup>3</sup>	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period <sup>4</sup>
Cumulative, January 1936-September 1954	\$8,793,010	\$8,789,948	\$5,184	\$19,386,390	\$1,890,307	\$13,043,729	\$8,232,908	\$953,390	\$191,287	\$777,104	\$560,042
Fiscal year:											
1952-53	9,267,893	589,961	20,850	1,371,105	184,242	912,551	8,562,537	15,042	18,528	97,272	605,358
1953-54	8,993,197	-248,075	4,229	1,246,108	204,317	1,617,159	8,395,804	17,835	20,094	140,134	507,393
1 months ended:											
September 1952	8,706,972	138,994	10,895	393,501	280	252,183	8,061,340	8,770	28	27,226	735,632
September 1953	9,442,015	187,981	16,902	390,721	240	197,079	8,756,519	3,838	34	17,975	665,496
September 1954	8,793,010	-200,019	5,184	320,839	1,218	485,915	8,232,908	3,487	118	44,204	560,042
1953											
September	9,442,015	-54,019	16,902	10,317	317	64,719	8,756,519	2,539	32	6,767	685,498
October	9,418,221	-17,000	10,197	39,148	9,554	60,098	8,759,132	10	946	7,304	670,089
November	9,506,878	139,000	19,854	253,477	97,777	8,804,832	410	7,453	682,046		
December	9,560,887	-2,019	15,882	15,854	93,526	110,749	8,887,496	3,408	9,281	11,294	673,420
1954											
January	9,411,362	-150,000	16,357	28,443	134	164,049	8,751,994	24	13	14,090	659,368
February	9,396,702	-20,000	11,697	166,304	38	177,216	8,741,120	700	4	14,490	645,582
March	9,161,390	-225,019	11,403	15,738	1,064	225,740	8,532,182	2,959	105	19,439	629,207
April	9,000,450	-190,000	10,463	48,904	10,326	201,850	8,389,563	36	1,008	19,364	610,887
May	9,080,001	79,000	11,015	270,378	68	176,861	8,483,167	624	8	14,586	596,834
June	8,994,210	-80,019	4,229	6,18,164	89,247	193,752	8,390,826	5,825	8,714	13,980	597,393
July	8,857,210	-150,000	18,242	6,38,201	112	108,205	8,266,934	173	11	10,549	590,275
August	8,952,674	105,000	8,706	274,635	51	163,690	8,377,930	530	5	16,066	574,744
September	8,793,010	-155,019	5,184	8,003	1,055	154,020	8,232,908	2,785	102	17,589	560,042

<sup>1</sup> Includes accrued interest and repayments on account of interest on bonds at time of purchase; minus figures represent primarily net total of securities redeemed.

<sup>2</sup>

<sup>2</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$107,161,000.

<sup>3</sup>

<sup>3</sup> Includes withdrawals of \$79,169,000 for disability insurance benefits.

<sup>4</sup>

<sup>4</sup> Beginning July 1947, includes temporary disability program.

<sup>5</sup>

<sup>5</sup> Includes transfers to the account from railroad unemployment insurance administration fund amounting to \$97,646,000 and transfers of \$12,338,000 out of

the account to adjust funds available for administrative expenses on account of retrospective credits taken by contributors under the Railroad Unemployment Insurance Act Amendments of 1948.

<sup>6</sup> Data revised to adjust for deposits of \$1,022,484 in transit at end of fiscal year 1953-54.

Source: *Daily Statement of the U. S. Treasury*.

Table 6.—Status of the old-age and survivors insurance trust fund, by specified period, 1937-54

[In thousands]

Period	Receipts		Expenditures		Assets			
	Net contribution income and transfers <sup>1</sup>	Interest received <sup>2</sup>	Benefit payments	Administrative expenses <sup>3</sup>	Net total of U. S. Government securities acquired <sup>4</sup>	Cash with disbursing officer at end of period	Credit of fund account at end of period	Total assets at end of period
Cumulative, January 1937-September 1954	\$31,755,821	\$2,905,825	\$13,662,923	\$743,674	\$19,642,781	\$467,313	\$234,858	\$20,344,982
Fiscal year:								
1952-53	4,096,602	386,640	2,627,492	89,429	1,544,542	286,875	261,885	18,366,356
1953-54	4,589,923	438,909	3,275,457	88,638	1,522,270	373,547	329,277	20,042,688
3 months ended:								
September 1952	860,402	10,871	533,289	23,072	174,818	278,465	188,614	16,914,948
September 1953	1,002,407	10,917	766,035	20,845	221,694	329,341	224,172	18,592,801
September 1954	1,207,407	20,497	963,952	21,589	302,918	467,313	234,858	20,344,982
1953								
September	258,748	10,917	256,811	6,692	71,594	329,341	224,172	18,892,801
October	173,686	14,818	260,989	6,838	39,341	328,778	106,069	18,513,476
November	308,352		263,853	7,462	26,000	325,687	210,197	18,640,813
December	152,597	190,960	268,100	9,013	186,609	335,880	79,830	18,706,966
1954								
January	84,670	268	269,613	6,554	-145,000	336,739	33,750	18,515,727
February	609,224	11,595	275,059	6,917	38,800	338,788	331,744	18,854,571
March	597,809	10,946	287,370	7,180	164,018	358,974	460,845	19,108,775
April	284,915	14,818	293,884	7,502	245,941	360,145	212,080	19,167,122
May	777,733		293,969	7,447	229,000	370,317	449,225	19,643,440
June	508,529	196,182	296,585	8,878	515,967	373,547	329,277	20,042,688
July	218,264	9,551	292,632	7,433	70,000	403,246	157,309	19,970,418
August	764,227		288,205	6,782	150,000	422,652	457,141	20,439,688
September	224,915	10,946	323,095	7,374	82,918	467,313	234,858	20,344,982

<sup>1</sup> For July 1940 to December 1950 equals taxes collected under the Federal Insurance Contributions Act. Beginning January 1951, amounts appropriated in accordance with sec. 201(a) of the Social Security Act as amended in 1950; from May 1951, includes deposits by States under voluntary coverage agreements. For 1947-51 includes amounts appropriated to meet costs of benefits payable to veterans' survivors under the Social Security Act Amendments of 1946. Includes deduction to adjust for reimbursement to the general treasury of the estimated amount of taxes subject to refund on wages in excess of \$3,600 paid to employees who worked for more than 1 employer during the calendar year—\$33 million in December 1952 for 1951 taxes, \$40.5 million in September 1953 for 1952 taxes, and \$51 million in September 1954 for 1953 taxes—in accordance with sec. 1401(d) of the Internal Revenue Code.

<sup>2</sup> Includes interest transferred from the railroad retirement account under the financial interchange provision of the Railroad Retirement Act, as amended in 1951. See footnote 5.

<sup>3</sup> Represents net expenditures for administration. Beginning November 1951,

adjusted for reimbursements to trust fund of small amounts for sales of supplies and services. Beginning October 1953, includes amounts for expenses of plans and preparations for construction authorized by P.L. 170, 83d Cong., 1st sess.

<sup>4</sup> Includes accrued interest and repayments on account of accrued interest on bonds at time of purchase.

<sup>a</sup> Represents interest, transferred from the railroad retirement account for the fiscal year 1952-53 on \$488 million and for the fiscal year 1953-54 on \$424.5 million—the estimated amount that would place the old-age and survivors insurance trust fund in the same position in which it would have been on June 30, 1952, if railroad employment had always been covered under old-age and survivors insurance, less offsets for 1953-54, made under subparagraph (c) of section 5(K)(2) of the Railroad Retirement Act, as amended in 1951.

<sup>b</sup> Includes upward adjustment of \$98,010 in benefit payments attributable to June 1954.

Source: Daily Statement of the U. S. Treasury.

Table 7.—Old-age and survivors insurance: Monthly benefits in current-payment status <sup>1</sup> at the end of the month by type of benefit and by month, September 1953-September 1954

[Amounts in thousands; data corrected to Nov. 1, 1954]

Item	Total		Old-age		Wife's or husband's		Child's		Widow's or widower's		Mother's		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Monthly benefits in current-payment status at end of month:														
1953														
September	5,768,684	\$243,181,73,097,983	157,463,9	856,864	\$23,050,3	1,022,212	\$31,287,5	519,376	\$21,194,7	249,235	\$9,284,0	22,981	\$961,3	
October	5,837,214	246,572,3,3,136,415	159,733,8	866,904	23,366,0	1,033,890	31,760,4	526,613	21,501,9	250,233	9,334,6	23,150	968,7	
November	5,906,117	250,057,2,3,178,118	162,086,4	877,375	23,636,1	1,042,516	32,114,3	533,128	21,778,0	251,637	9,403,9	23,343	978,4	
December	5,981,420	253,792,3,3,222,348	161,659,1	887,815	24,017,1	1,053,195	32,517,0	540,653	22,095,7	253,873	9,517,0	23,506	966,4	
1954														
January	6,051,322	257,498,6,3,263,903	167,270,6	898,432	24,306,1	1,062,232	32,874,7	547,319	22,375,1	255,728	9,610,8	23,618	992,3	
February	6,128,845	261,613,7,3,313,291	170,301,2	910,061	24,718,3	1,070,567	33,204,3	553,758	22,646,7	257,407	9,714,2	23,758	969,1	
March	6,230,244	266,685,5,3,375,914	173,919,0	925,204	25,217,9	1,082,747	33,632,9	562,261	23,007,9	260,223	9,851,6	23,895	1,006,3	
April	6,322,934	271,243,8,3,430,714	177,109,4	938,916	25,646,9	1,094,953	34,102,8	570,974	23,369,3	263,225	9,907,8	24,122	1,017,6	
May	6,397,697	275,072,0,3,476,610	179,808,7	949,554	25,989,3	1,103,499	34,418,7	578,461	23,684,5	265,292	10,116,6	24,251	1,024,1	
June	6,468,777	278,702,0,3,519,415	182,334,4	959,077	26,302,0	1,111,874	34,769,8	586,306	24,015,9	267,720	10,249,5	24,385	1,030,4	
July	6,521,373	281,392,7,3,554,250	181,416,6	966,846	26,557,9	1,114,916	34,963,7	591,746	24,242,7	269,115	10,336,2	24,500	1,035,6	
August <sup>2</sup>	6,592,991	281,900,0												
September <sup>3</sup>	6,655,060	325,956,9												

<sup>1</sup> Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount that is less than the current month's benefit.

<sup>2</sup> Distribution by type of benefit not yet available.

<sup>3</sup> Partly estimated.

Table 8.—Old-age and survivors insurance: Estimated number of families and beneficiaries in receipt of benefits and average monthly benefit in current-payment status, by family group, end of June 1954 and 1953

[In thousands, except for average benefit; data corrected to Nov. 5, 1954]

Family classification of beneficiaries	June 30, 1954			June 30, 1953		
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family
Total	4,689.4	6,468.8		4,009.8	5,573.6	
Retired worker families						
Worker only	3,519.4	4,577.6		2,977.5	3,887.6	
Male	2,545.4	2,545.4	\$49.40	2,157.7	2,137.7	\$48.20
Female	1,069.9	1,069.9	53.80	1,443.1	1,443.1	52.10
875.5	875.5	41.10		694.6	694.6	40.10
Worker and wife aged 65 or over	904.9	1,809.8	\$6.30	781.8	1,563.6	\$6.30
Worker and wife under age 65 <sup>1</sup>	.6	1.2	95.60	.6	1.2	95.20
Worker and aged dependent husband	7.3	14.6	75.20	5.5	11.0	74.20
Worker and 1 child	9.2	18.4	76.00	7.9	15.8	75.40
Worker and 2 or more children	5.8	20.4	79.40	5.3	18.5	81.20
Worker, wife aged 65 or over, and 1 or more children	.8	2.6	98.90	.9	2.9	97.70
Worker, wife under age 65, and 1 child	28.5	85.5	100.70	24.1	72.3	94.00
Worker, wife under age 65, and 2 or more children	16.9	79.7	93.40	13.7	64.6	88.10
Survivor families	1,170.0	1,891.2		1,032.3	1,086.0	
Aged widow	585.2	585.2	\$1.00	498.1	498.1	\$0.80
Aged dependent widower	.9	.9	34.40	.6	.6	33.90
Widowed mother only <sup>1</sup>	2.1	2.1	45.20	2.4	2.4	43.30
Widowed mother and 1 child	118.2	236.4	91.00	109.4	218.8	88.50
Widowed mother and 2 children	78.6	235.8	112.70	72.0	216.0	107.90
Widowed mother and 3 or more children	68.8	323.4	112.20	61.1	233.3	105.50
Divorced wife and 1 or more children	.2	.6	111.50	.2	.5	95.00
1 child only	174.8	174.8	\$2.20	159.3	159.3	\$1.40
2 children	73.3	146.6	72.20	65.5	131.0	70.70
3 children	26.0	78.0	88.30	23.4	70.2	86.20
4 or more children	19.1	83.0	92.60	19.4	83.3	90.10
1 aged dependent parent	21.2	21.2	\$2.60	19.3	19.3	\$1.20
2 aged dependent parents	1.6	3.2	81.40	1.6	3.2	80.70

<sup>1</sup> Benefits of children were being withheld.

Table 9.—Old-age and survivors insurance: Estimated number of families and beneficiaries in receipt of benefits and average monthly benefit in current-payment status on June 30, 1954, for selected family groups, by benefit-computation method<sup>1</sup>

[In thousands, except for average benefit; data corrected to Nov. 5, 1954]

Family classification of beneficiaries	Total			Conversion table			New-start formula		
	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family	Number of families	Number of beneficiaries	Average monthly amount per family
Worker only	2,545.4	2,545.4	\$49.40	1,819.8	1,819.8	\$44.20	725.6	725.6	\$62.70
Male	1,669.9	1,669.9	53.80	1,203.8	1,203.8	47.90	400.1	406.1	69.10
Female	875.5	875.5	41.10	616.0	616.0	36.90	259.5	259.5	51.10
Worker and wife aged 65 or over	904.9	1,809.8	\$6.30	630.6	1,261.2	78.40	274.3	548.0	104.50
Worker, wife under age 65, and 1 or more children	45.4	165.2	\$8.00	28.6	104.6	78.30	16.8	60.6	131.50

<sup>1</sup> Benefits computed by means of the conversion table are based on earnings after 1936 and the 1939 benefit formula and are increased by use of the conversion table in the 1952 amendments to the Social Security Act; benefits computed under the new-start formula are based on earnings after 1950 and the 1952 benefit formula.

Table 10.—Employment security: Selected data on nonfarm placements and unemployment insurance claims and benefits, by State, September 1954

[Corrected to Oct. 21, 1954]

Region and State	Nonfarm place- ments	Initial claims <sup>1</sup>		Weeks of unemploy- ment covered by continued claims		Compensated unemployment				Average weekly insured unem- ployment under State programs	
						All types of unemployment <sup>2</sup>		Total unemployment			
		Total	Women	Total	Women	Weeks com- pens- ated	Benefits paid <sup>3</sup>	Average weekly number of beneficiaries	Weeks com- pens- ated	Average weekly payment	
Total	520,145	1,122,815	383,609	7,101,756	2,518,536	6,221,173	\$153,734,926	1,413,903	5,762,286	\$25.57	* 1,580,407
Region I:											
Connecticut	8,507	17,919	8,422	127,584	66,157	121,352	\$235,009	27,580	114,935	27.39	27,141
Maine	1,953	7,839	3,877	37,325	20,656	34,983	623,766	7,951	28,259	19.60	8,300
Massachusetts	18,454	64,833	28,421	274,312	130,975	237,615	5,685,799	54,003	213,511	25.05	60,761
New Hampshire	1,525	7,853	4,709	47,920	29,294	39,534	760,231	8,985	31,834	21.06	10,768
Rhode Island	2,212	28,509	16,299	87,047	44,215	77,531	1,750,163	17,621	67,490	23.69	19,013
Vermont	2,004	2,282	1,103	12,678	6,432	11,630	246,753	2,643	10,387	22.35	2,875
Region II:											
New Jersey	11,990	56,400	27,593	311,312	149,029	298,341	\$8,338,041	67,805	273,191	28.63	69,718
New York	67,193	196,324	79,907	826,128	330,451	729,778	18,970,951	165,859	660,882	27.28	184,524
Puerto Rico	1,959	48	8	239	28						
Virgin Islands	231	0	0	0	0						
Region III:											
Delaware	805	2,859	622	13,553	4,228	12,097	257,744	2,749	11,594	21.69	3,015
District of Columbia	4,030	3,281	1,005	19,583	6,914	17,764	326,396	4,037	17,437	18.46	4,347
Maryland	6,082	19,616	5,635	114,751	32,358	103,265	2,647,188	23,469	96,278	26.37	24,507
North Carolina	16,926	22,907	11,361	147,047	72,005	140,920	2,419,665	32,027	129,765	17.77	32,128
Pennsylvania	18,329	135,835	34,905	908,459	243,866	848,280	21,945,323	192,791	784,338	26.90	204,946
Virginia	8,069	8,630	3,410	72,610	22,679	60,303	1,205,059	13,726	58,219	20.28	15,426
West Virginia	1,672	12,864	1,204	147,904	16,991	122,921	2,841,935	27,937	114,903	23.73	33,184
Region IV:											
Alabama	10,154	13,167	2,558	112,666	24,780	81,758	1,476,500	18,581	77,527	18.45	24,603
Florida	14,068	12,471	4,769	106,190	55,137	88,992	1,561,817	20,225	86,009	17.73	23,789
Georgia	11,563	14,089	5,214	113,793	50,629	92,775	1,785,439	21,085	85,218	19.74	24,768
Mississippi	8,679	6,553	1,910	48,280	13,663	33,582	627,925	7,632	30,432	19.30	10,777
South Carolina	7,867	9,095	3,530	66,981	29,664	60,132	1,077,841	13,666	56,539	18.41	14,928
Tennessee	10,181	13,472	4,702	171,137	66,350	139,278	2,636,029	31,654	133,563	18.98	37,728
Region V:											
Kentucky	5,144	11,518	2,817	168,203	40,621	143,128	3,109,035	32,529	134,012	22.31	37,157
Michigan	13,107	103,406	21,194	684,319	161,177	582,146	18,586,006	132,306	567,073	32.36	159,135
Ohio	23,207	53,526	13,740	392,743	127,478	353,988	9,971,101	80,452	333,725	28.93	87,243
Region VI:											
Illinois	18,418	54,465	20,018	503,447	195,165	427,540	10,416,795	97,168	387,493	25.60	113,045
Indiana	7,402	27,559	7,005	200,730	58,708	200,886	4,907,479	45,656	183,482	25.47	40,923
Minnesota	11,510	8,245	2,497	70,546	28,402	60,571	1,359,331	13,766	57,164	22.82	15,446
Wisconsin	11,904	17,803	4,963	102,728	31,029	85,075	2,457,084	19,335	78,745	29.40	23,857
Region VII:											
Iowa	8,580	3,709	1,345	23,085	11,014	19,876	414,816	4,517	17,534	21.95	5,310
Kansas	9,540	6,423	1,377	31,433	13,100	30,329	698,622	6,893	29,246	23.72	7,108
Missouri	7,944	22,642	7,876	167,680	73,402	144,291	2,943,817	32,793	129,934	21.63	38,648
Nebraska	6,234	1,078	409	9,653	5,417	9,526	212,916	2,165	9,029	22.94	3,029
North Dakota	2,806	217	82	1,268	741	1,100	23,050	250	779	23.73	279
South Dakota	2,032	271	68	1,664	847	1,428	29,315	325	1,253	21.59	377
Region VIII:											
Arkansas	7,734	7,821	2,466	52,740	15,524	33,828	584,016	7,688	30,624	17.92	10,664
Louisiana	8,326	10,842	1,812	72,288	16,421	64,399	1,389,413	14,636	58,817	22.32	16,236
Oklahoma	13,463	7,967	1,750	49,775	15,802	37,860	880,647	8,605	35,448	23.90	10,864
Texas	44,541	15,446	4,012	109,056	37,665	87,262	1,525,278	19,832	84,130	17.74	24,328
Region IX:											
Colorado	7,786	2,522	704	11,615	3,827	8,787	220,686	1,997	8,010	25.84	2,563
Montana	3,419	2,581	478	8,612	2,302	5,447	112,387	1,238	5,447	20.49	2,190
New Mexico	3,619	2,333	431	15,466	3,405	11,204	270,704	2,546	10,490	24.61	2,751
Utah	3,824	1,818	573	15,471	6,088	12,397	298,924	2,818	11,057	25.02	3,294
Wyoming	1,427	556	143	2,780	1,041	2,742	73,091	623	2,450	27.47	617
Region X:											
Arizona	4,502	4,030	963	23,518	6,448	16,731	354,331	3,803	15,937	21.42	5,115
California	33,638	75,610	25,657	406,701	166,162	347,560	8,272,059	78,091	315,895	24.66	92,552
Hawaii	1,195	1,917	671	14,856	4,976	12,742	261,851	2,896	11,485	21.61	(*)
Nevada	2,684	1,768	510	6,543	1,862	5,824	172,058	1,324	5,391	30.34	1,492
Region XI:											
Alaska	822	1,259	389	7,828	2,883	9,903	256,870	2,251	9,672	25.75	(*)
Idaho	4,361	832	301	8,880	4,697	7,422	158,104	1,697	6,993	21.57	1,942
Oregon	7,542	10,421	3,228	58,879	22,921	51,595	1,126,292	11,726	48,511	22.38	13,085
Washington	8,918	19,464	4,856	111,720	39,606	92,665	2,228,366	21,060	88,119	24.19	24,888

<sup>1</sup> Total excludes transitional claims.

<sup>2</sup> Total, part-total, and partial.

<sup>3</sup> Not adjusted for voided benefit checks and transfers under interstate combined-wage plan.

<sup>4</sup> Excludes Alaska and Hawaii.

<sup>5</sup> Data not available.

Source: Department of Labor, Bureau of Employment Security, and affiliated State agencies.

Table 11.—Public assistance in the United States, by month, September 1953–September 1954<sup>1</sup>

[Except for general assistance, includes vendor payments for medical care and cases receiving only such payments]

Year and month	Total <sup>2</sup>	Old-age assistance	Aid to dependent children			Aid to the blind	Aid to the permanently and totally disabled	General assistance <sup>4</sup>	Total	Old-age assistance	Aid to dependent children (families)	Aid to the blind	Aid to the permanently and totally disabled	General assistance <sup>4</sup>
			Recipients		Families									
			Total <sup>2</sup>	Children										
Number of recipients														
1953														
September	2,596,451	547,558	1,933,948	1,457,713	99,417	187,411	230,000	.....	.....	-0.1	-0.5	+0.2	+1.4	-1.7
October	2,595,365	543,672	1,923,693	1,448,885	99,633	190,327	240,000	.....	.....	(*)	-7	+2	+1.6	+3
November	2,591,370	542,119	1,918,160	1,445,173	99,658	192,524	246,000	.....	.....	-2	-3	(*)	+1.2	+2.4
December	2,591,018	548,118	1,942,381	1,464,454	99,827	195,111	270,000	.....	.....	(*)	+1.1	+2	+1.3	+0.9
1954														
January	2,585,146	552,852	1,964,661	1,479,158	99,732	198,247	297,000	.....	.....	-2	+9	-1	+1.6	+10.1
February	2,578,293	560,556	1,995,673	1,503,677	99,605	200,030	312,000	.....	.....	-3	+1.4	-1	+9	+5.0
March	2,582,057	569,537	2,030,505	1,530,070	99,934	202,758	326,000	.....	.....	+1	+1.6	+3	+1.4	+4.5
April	2,583,201	575,484	2,053,918	1,547,730	100,295	205,453	318,000	.....	.....	(*)	+1.0	+4	+1.3	-2.4
May	2,582,919	579,954	2,070,859	1,560,881	100,646	208,407	304,000	.....	.....	(*)	+8	+3	+1.4	-4.6
June	2,582,403	581,895	2,079,369	1,566,643	100,928	211,741	299,000	.....	.....	(*)	+3	-3	+1.6	-1.6
July	2,579,228	581,179	2,078,251	1,565,887	101,229	214,829	297,000	.....	.....	-1	-1	+3	+1.5	-6
August	2,578,682	584,715	2,083,489	1,577,953	101,456	217,432	303,000	.....	.....	(*)	+6	+2	+1.2	+2.0
September	2,578,180	588,129	2,109,983	1,590,410	101,761	219,764	308,000	.....	.....	(*)	+6	+3	+1.1	+1.7
Amount of assistance														
1953														
September	\$208,347,000	\$131,523,577	\$45,462,675	\$5,466,692	\$9,865,528	\$11,378,000	+0.1	-0.2	+0.2	+0.3	+0.8	+0.1		
October	209,129,000	\$131,935,869	\$45,422,778	\$5,518,898	\$10,086,901	\$11,601,000	+4	+3	-1	+6	+2.2	+2.0		
November	209,857,000	\$132,339,310	\$45,239,477	\$5,518,268	\$10,213,434	\$11,874,000	+3	+3	-4	(*)	+1.3	+2.4		
December	214,225,000	\$133,428,665	\$46,164,860	\$5,557,113	\$10,426,069	\$13,638,000	+2.1	+8	+2.0	+7	+2.1	+14.9		
1954														
January	\$215,228,000	\$132,715,335	\$46,622,721	\$5,543,064	\$10,541,919	\$14,939,000	+5	-5	+1.0	-3	+1.1	+9.8		
February	216,536,000	\$132,135,293	\$47,420,169	\$5,551,002	\$10,699,610	\$15,871,000	+6	-4	+1.7	+1	+1.5	+6.2		
March	219,862,000	\$132,619,452	\$48,392,469	\$5,575,575	\$10,850,504	\$17,101,000	+1.5	+4	+2.1	+4	+1.4	+7.8		
April	219,936,000	\$132,610,726	\$48,868,806	\$5,598,300	\$11,043,200	\$16,599,000	+1	(*)	+1.0	+4	+1.8	-2.9		
May	219,891,000	\$132,747,559	\$49,304,380	\$5,621,118	\$11,164,649	\$15,511,000	(*)	+1	+9	+4	+1.1	-6.6		
June	220,012,000	\$132,850,663	\$49,507,880	\$5,631,364	\$11,330,308	\$15,418,000	+1	+1	+4	+2	+1.5	-6		
July	219,998,000	\$132,737,720	\$49,550,875	\$5,675,355	\$11,552,274	\$15,483,000	(*)	-1	+1	+8	+2.0	+4		
August	220,879,000	\$132,934,770	\$49,743,774	\$5,675,905	\$11,638,641	\$15,887,000	+4	+1	+4	(*)	+7	+2.6		
September	222,864,000	\$133,461,162	\$50,293,952	\$5,704,754	\$11,805,623	\$16,536,000	+9	+4	+1.1	+5	+1.4	+4.1		

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.

<sup>2</sup> Total exceeds sum of columns because of inclusion of vendor payments for medical care from general assistance funds, from special medical funds, and, for one State for September 1953–June 1954, from funds for the special types of public assistance; data for such expenditures partly estimated for some States.

<sup>3</sup> Includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in determining the amount of assistance.

<sup>4</sup> Through December 1953 excludes Nebraska; data not available. Percentage changes through January 1954 based on data for 52 States.

<sup>a</sup> Decrease of less than 0.05 percent.

<sup>b</sup> Increase of less than 0.05 percent.

<sup>c</sup> For Illinois includes premiums paid into pooled fund for medical care but excludes vendor payments made for medical services provided before the pooled fund plan began in August.

(Continued from page 26)

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### Retirement and Old Age

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Table 12.—Amount of vendor payments for medical care for recipients of public assistance, by program and State, September 1954<sup>1</sup>

State	Old-age assistance	Aid to dependent children	Aid to the blind	Aid to the permanently and totally disabled	General assistance <sup>2</sup>
Total	\$7,825,046	\$1,367,598	\$216,136	\$1,487,704	\$5,003,000
Alabama	1,179	1,306		682	8,199
Alaska					61,600
California	218,933	72,720	3,636	20,505	109
Connecticut					
Delaware					
Hawaii	14,880	11,925	545	10,489	(*)
Illinois	1,549,085	165,894	40,563	217,852	415,693
Indiana	395,714	55,243	17,887	(*)	177,205
Iowa					156,008
Kansas	173,550	32,729	8,299	85,536	38,080
Louisiana	10	4,247	221	1,248	1,431
Maine					32,693
Massachusetts	1,509,347	98,071	1,229	415,954	105,437
Michigan	123,492		1,712	20,968	65,383
Minnesota	1,033,384	78,947	29,560	3,238	197,136
Montana					148,922
Nebraska					133,479
Nevada	4,938			(*)	54,334
New Hampshire	79,368	14,310	2,502	3,980	(*)
New Jersey		15,007			130,599
New Mexico	26,974	12,610	1,692	3,119	3,786
New York	1,932,604	552,046	73,292	665,566	(*)
North Carolina	15,792	9,650		4,646	180,254
North Dakota		54,254	6,260	8,327	17,225
Ohio		223,306	30,013	7,054	955,835
Oregon					156,858
Pennsylvania	159,783	99,312	21,515	10,751	58,807
Rhode Island	55,558	23,156	1,313	14,912	35,181
South Carolina					10,419
South Dakota					69,081
Utah	798	491	13	295	18
Virgin Islands		130	47	8	15
Virginia					74
Wisconsin	429,981	84,930	7,505	29,611	6,250
Wyoming					117,079
					13,998

<sup>1</sup> For the special types of public assistance, figures in italics represent payments made without Federal participation. States not shown made no vendor payments during the month or did not report such payments.

<sup>2</sup> In all States except California, Illinois, Kansas, Louisiana, Massachusetts, Nevada, New Jersey, Pennsylvania, Utah, and the Virgin Islands includes payments made on behalf of recipients of the special types of public assistance.

<sup>3</sup> Includes an estimated amount for States making vendor payments for medical care from general assistance funds and from special medical funds and reporting these data semiannually but not on a monthly basis.

<sup>4</sup> No program for aid to the permanently and totally disabled.

<sup>5</sup> Data not available.

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*Social Security*

Table 13.—Average payments including vendor payments for medical care, average amount of money payments, and average amount of vendor payments for assistance cases, by program and State, September 1954<sup>1</sup>

State	Old-age assistance			Aid to dependent children (per family)			Aid to the blind			Aid to the permanently and totally disabled		
	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>4</sup>	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>4</sup>	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>4</sup>	All assistance <sup>2</sup>	Money payments to recipients <sup>3</sup>	Vendor payments for medical care <sup>4</sup>
Total, 53 States <sup>4</sup>	\$51.77	\$48.95	\$3.04	\$85.52	\$83.27	\$2.33	\$56.06	\$54.10	\$2.12	\$53.72	\$47.50	\$6.77
Alabama	30.18	30.16	.02	42.60	42.53	.08	—	—	—	24.77	24.69	.08
Connecticut	83.15	70.15	13.00	132.47	116.47	16.00	93.09	81.09	12.00	100.98	85.98	15.00
Hawaii	43.48	35.64	7.84	95.08	91.24	3.84	51.63	46.58	5.05	57.80	40.29	8.51
Illinois	56.13	41.88	15.51	127.25	119.21	8.09	61.64	51.11	11.12	78.24	41.99	37.84
Indiana	47.07	38.01	9.61	88.28	81.71	6.69	58.27	48.46	10.27	(*)	(*)	(*)
Kansas	64.35	59.63	5.02	110.27	103.27	7.78	68.79	65.75	5.57	66.79	59.39	7.85
Louisiana	51.22	51.22	(*)	63.53	63.28	.25	49.06	48.95	.11	42.11	42.01	.10
Massachusetts	74.71	58.72	16.33	124.30	116.63	7.93	91.71	91.07	.69	96.40	86.91	42.58
Michigan	54.18	53.84	1.60	—	—	—	61.66	61.39	.95	70.58	69.17	10.35
Minnesota	65.09	45.80	19.72	114.64	104.30	10.60	77.78	54.66	24.19	53.80	48.05	6.87
Nevada	57.50	56.21	1.86	—	—	—	—	—	—	(*)	(*)	(*)
New Hampshire	58.98	47.16	12.00	124.04	113.32	13.50	63.81	54.81	9.00	70.26	50.26	20.00
New Jersey	—	—	—	115.95	113.39	2.56	—	—	—	—	—	—
New Mexico	46.42	44.19	2.23	73.91	72.03	1.58	45.87	42.05	3.82	39.16	37.48	1.68
New York	74.73	60.25	17.12	134.47	124.47	11.01	83.53	69.89	16.76	80.49	65.94	16.91
North Carolina	31.10	30.79	.30	61.08	60.53	.55	—	—	—	36.76	36.28	.48
North Dakota	62.23	55.76	6.58	115.02	110.96	4.35	60.33	64.75	5.58	70.74	60.81	10.15
Ohio	58.65	56.50	2.15	93.17	91.03	2.14	56.20	54.28	1.92	—	—	—
Pennsylvania	45.70	43.37	2.33	103.41	99.81	3.60	50.94	49.43	1.51	53.45	50.22	3.83
Rhode Island	57.41	52.65	6.59	110.46	103.46	7.00	71.04	65.49	7.34	73.81	65.55	11.57
Utah	60.03	59.95	.08	113.83	113.68	.16	64.45	64.39	.06	64.04	63.86	.18
Virgin Islands	14.06	13.87	.19	23.24	23.23	.28	—	—	—	14.81	14.62	.19
Wisconsin	61.33	51.88	9.60	133.14	122.38	10.65	64.61	68.24	6.43	92.42	66.06	9.49

<sup>1</sup> Averages for general assistance not computed because of differences among States in policy or practice regarding use of general assistance funds to pay medical bills for recipients of the special types of public assistance. Figures in italics represent payments made without Federal participation. States not shown made no vendor payments during the month or did not report such payments.

<sup>2</sup> Averages based on cases receiving money payments, vendor payments for medical care, or both.

<sup>3</sup> Averages based on number of cases receiving payments. See tables 14-17 for average money payments for States not making vendor payments.

<sup>4</sup> For aid to the permanently and totally disabled represents data for the 42 States with programs in operation.

\* No program for aid to the permanently and totally disabled.

† Less than 1 cent.

‡ Average payment not computed on base of less than 50 recipients.

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**Table 14.—Old-age assistance: Recipients and payments to recipients, by State, September 1954<sup>1</sup>**

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	August 1954		September 1953	
				Number	Amount	Number	Amount
Total <sup>2</sup>	2,578,180	\$133,461,162	\$51.77	(1)	+0.4	-0.7	+1.5
Ala.	63,755	1,924,023	30.18	+0.1	(4)	-5.8	+2.5
Alaska	1,664	105,009	63.11	-4	-4	+1.3	+8.1
Ariz.	13,948	783,623	56.18	+2	+2	+4	+1.7
Ark.	52,790	1,785,417	33.82	(8)	+1.2	-4.4	+1.4
Calif. <sup>3</sup>	271,950	16,734,186	60.89	(4)	-1	+5	(2)
Colo. <sup>4</sup>	52,494	4,314,740	82.19	(4)	+13.8	+4	+5.2
Conn.	16,841	1,400,305	83.15	+4	+8	+11.8	+16.3
Del.	1,698	66,805	39.34	-2	(8)	+1.1	+1.7
D. C.	3,015	160,886	53.36	+7	+8	+11.0	+11.5
Fla.	69,304	3,217,606	46.43	+2	+5	+3.5	+8.8
Ga.	97,974	3,609,496	37.45	+3	+4	+2.6	+4.6
Hawaii	1,860	82,568	43.48	-1.2	-1.3	-4.0	+4.6
Idaho	8,933	493,986	55.30	+2	+2	-5	+6
Ill.	99,867	5,605,838	56.13	-3	-1	-4.6	-2.5
Ind.	38,177	1,797,020	47.07	(4)	+1	-3.5	+1.3
Iowa	42,951	2,467,304	57.44	-2	(8)	-4.5	-3.3
Kans.	34,569	2,224,581	64.35	-1	-2	-1.6	+1.1
Ky.	55,875	1,963,055	35.13	(4)	+1	+5	+1.2
La.	119,816	6,136,652	51.22	(8)	(8)	+2	+2.2
Maine	12,708	601,148	47.30	-3	-1	-2.7	-9
Md.	10,711	482,314	45.03	-4	-1	-1	+3.2
Mass.	92,423	6,904,481	74.71	-1	+7	-2.8	-5
Mich.	77,204	4,183,196	54.18	-3	-2	-6.4	-3.0
Minn.	52,412	3,411,337	65.09	(4)	-4	-1.4	+4.0
Miss.	67,443	1,781,231	26.41	+3	+3	+8.0	+1.1
Mo.	132,991	6,663,707	50.11	(8)	(8)	+1.3	+1.4
Mont.	9,417	548,767	58.27	-2	-1	-5.8	-5.7
Nebr. <sup>5</sup>	18,306	917,055	50.10	-2	+1	-2.9	-13.1
Nev.	2,650	152,380	57.50	-3	-1	-2	+7
N. H.	6,614	390,081	58.98	-5	-1	-4.0	-3
N. J.	20,788	1,376,349	60.21	+1	+3	-2.1	+8.9
N. Mex.	12,087	561,066	46.42	+4	+5	+7.5	+6.6
N. Y.	105,285	7,867,658	74.73	-1	-3	-3.6	+4.6
N. O.	51,790	1,610,533	51.10	+2	+7	+2.3	+5.6
N. Dak.	8,245	513,075	62.23	-3	+1.5	-2.7	+5.3
Ohio	104,102	6,105,574	58.65	-2	+4	-3.5	+3.9
Oklahoma	95,115	5,494,584	87.77	-3	-3	+3	+2
Oreg.	20,430	1,327,168	64.93	(8)	-5	-3.4	-9
Pa.	59,964	2,740,509	45.70	-2	-4	-4.9	+1.0
P. R.	45,003	349,163	7.76	-1	(8)	+7	+3.2
R. I.	8,584	492,806	57.41	-4	(8)	-4.2	-4
S. C.	43,053	1,360,302	31.74	(8)	+2	+1.8	+2.9
S. Dak.	11,036	495,216	44.96	-3	-2	-2.1	-1.3
Tenn.	68,245	2,454,250	35.96	+6	+6	+6.2	+5.5
Tex.	222,906	8,667,301	38.88	+1	+2	+1.3	+2.2
Utah	9,543	572,889	60.03	-1	(8)	+5	+9
Vt.	6,867	308,507	44.93	+4	+6	-6	+2.9
V. I.	669	9,407	14.06	-1.0	-3	-3.2	+22.6
Va.	17,403	513,064	29.48	+1	-1	+1.0	+8.0
Wash.	61,419	3,842,445	62.56	-2	-1	-3.5	-3.4
W. Va.	25,940	807,295	31.12	+1	-2	-2.0	+8.5
Wis.	45,246	2,774,839	61.33	-6	-3.3	-6.2	+1.6
Wyo.	4,052	241,356	59.56	+5	+2	(8)	-4

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.

<sup>2</sup> Includes 3,900 recipients aged 60-64 in Colorado and payments of \$353,898 to these recipients. Such payments are made without Federal participation.

<sup>3</sup> Decrease of less than 0.05 percent.

<sup>4</sup> Increase of less than 0.05 percent.

<sup>5</sup> In addition to these payments from old-age assistance funds, supplemental payments of \$101,798 from general assistance funds were made to recipients for medical care.

**Table 15.—Aid to the blind: Recipients and payments to recipients, by State, September 1954<sup>1</sup>**

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	August 1954		September 1953	
				Number	Amount	Number	Amount
Total <sup>2</sup>	101,761	\$6,704,754	\$66.06	+0.3	+0.5	+2.4	+4.0
Ala.	1,517	38,993	25.70	-5	-1.3	+1.1	-8.7
Alask.	58	2,690	51.55	(8)	(8)	(8)	(8)
Ariz.	719	45,083	62.70	+1.4	+1.0	+3.8	+4.4
Ark.	1,923	77,854	40.49	+3	+2.2	+5	+5.4
Calif. <sup>3</sup>	12,306	1,049,290	85.27	+3	+3	+3.7	+3.3
Colo.	337	22,771	67.57	+1.5	+2.2	-3	+3.4
Conn.	303	28,207	93.09	+3	+1.0	-2.3	-2.1
Del.	211	12,828	60.80	+1.4	+1.4	-8.7	+4.9
D. C.	253	14,768	58.37	+1.2	+1.8	+1.2	+6.7
Fla.	2,905	142,422	49.03	-2	-1	-4.8	-3.7
Ga.	3,267	139,872	42.81	+7	+8	+4.6	+6.6
Hawaii	108	5,578	61.63	-2.7	+6	0	+12.9
Idaho	193	11,570	59.95	-1.0	-6	-1.5	-8
Ill.	3,648	224,874	61.64	-2	+3	-2.8	-9
Ind.	1,742	101,513	58.27	+1.3	+8.1	+4.5	+14.2
Iowa	1,412	103,158	73.06	+1.7	+1.5	+6.0	+7.1
Kans.	623	42,859	68.79	-2	-2.7	-3.0	+4.9
Ky.	2,807	103,652	36.93	+7	+8	+10.2	+10.1
La.	2,002	98,222	49.06	+7	+6	+2.8	+2.8
Maine	543	27,669	50.96	-9	-5	-1.1	+6
Md.	471	24,058	51.08	-6	+2	+6	+1.7
Mass.	1,781	163,338	91.71	+1.1	+1.4	+3.3	+9.9
Mich.	1,797	110,624	61.56	+7	+1.1	+1.6	+3.4
Minn.	1,222	95,046	77.78	+2	+2.7	+2.8	+9.7
Miss.	3,344	105,943	31.68	+8	+8	+8.1	+8.4
Mo. <sup>4</sup>	3,881	213,455	55.00	+4	+4	+7.9	+7.9
Mont.	453	28,806	63.59	+2	-7	-7.9	-9.8
Nebr. <sup>4</sup>	729	41,645	57.13	+7	+1.1	+7	-11.5
Nev.	92	7,212	78.39	(8)	(8)	(8)	(8)
N. H.	278	17,738	63.81	-1	(8)	-5.1	-1.2
N. J.	847	57,915	68.38	-8	-1	+2.5	+10.7
N. Mex.	443	20,322	45.87	+5	-4	+3.0	+6.2
N. Y.	4,373	365,274	83.53	-4	+1	+1.5	+6.7
N. C.	4,768	191,760	40.22	-3	-3	+2.8	+3.9
N. Dak.	109	6,570	60.33	0	+12.1	-4.4	+10.1
Ohio	3,673	206,408	56.20	+4	+1	+1.8	+7.7
Okla.	2,083	139,276	66.86	-6	(8)	-8.7	-7.2
Oreg.	256	26,938	75.67	-3	(8)	+2.6	+7.1
Pa. <sup>3</sup>	16,260	828,238	50.94	+3	+4	+2.2	+5.2
P. R.	1,393	10,725	7.70	+1.5	+1.8	+11.8	+16.1
R. I.	183	13,000	71.04	-3.7	-4.0	-3.7	-2.5
S. C.	1,713	63,582	37.12	+7	+8	+4.3	+5.1
S. Dak.	202	8,597	42.56	+5	-1.0	+5	-9
Tenn.	3,231	134,446	41.74	+4	+6	+4.6	+5.0
Tex.	6,301	276,789	43.93	+2	+3	+3.5	+5.2
Utah	221	14,234	64.45	+5	+2.9	+5	+2
Vt.	161	7,824	48.60	-6	-1.2	-4.2	-2.8
V. I.	37	519	(8)	(8)	(8)	(8)	(8)
Va.	1,306	46,399	35.53	+4	+6	-1.9	+8
Wash. <sup>3</sup>	767	61,156	79.73	-1	+7	-3.4	-2.2
W. Va.	1,185	42,881	36.19	+3	-3	+1.6	+9.9
Wis.	1,168	75,469	64.61	0	-2.6	-4.7	-3.2
Wyo.	66	4,381	66.38	(8)	(8)	(8)	(8)

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.

<sup>2</sup> Data include recipients of payments made without Federal participation and payments to these recipients as follows: In California (424 recipients, \$37,671 in payments), in Washington (5 recipients, \$300 in payments), in Missouri (777 recipients, \$13,053 in payments), and in Pennsylvania (7,235 recipients, \$358,755 in payments).

<sup>3</sup> Average payment not computed on base of less than 50 recipients; percentage change on less than 100 recipients.

<sup>4</sup> In addition to these payments from aid to the blind funds, supplemental payments of \$5,944 from general assistance funds were made to recipients for medical care.

<sup>5</sup> Increase of less than 0.05 percent.

Table 16.—*Aid to dependent children: Recipients and payments to recipients, by State, September 1954*<sup>1</sup>

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of families	Number of recipients		Payments to recipients		Percentage change from—				
		Total	Children	Total amount	Average per—		August 1954 in—		September 1953 in—	
					Family	Recipient	Number of families	Amount	Number of families	Amount
Total <sup>2</sup>	588,129	2,109,983	1,590,410	\$50,293,952	\$85.52	\$23.84	+0.6	+1.1	+7.4	+10.6
Alabama	16,573	63,170	48,440	706,068	42.60	11.18	-4	-1	-3.8	+9
Alaska	1,076	3,657	2,691	83,116	77.25	22.73	+8	+2.1	+19.7	+32.5
Arizona	4,311	16,504	12,471	406,976	94.40	24.68	+5	+8	+14.8	+18.4
Arkansas	7,506	28,617	22,095	404,656	53.91	14.14	+2.5	+2.7	+1.9	-1.5
California	53,260	177,232	135,087	6,625,009	124.39	37.38	-1.1	-4	+5.4	+9.7
Colorado	5,743	21,328	16,203	611,885	106.54	28.69	+1.5	+1.5	+10.2	+12.8
Connecticut	4,645	14,892	11,015	602,069	132.47	40.43	+1.0	+1.7	+13.8	+12.7
Delaware	926	3,607	2,763	79,128	85.45	21.94	+2.6	+1.6	+31.9	+28.9
District of Columbia	2,363	9,678	7,534	249,457	105.57	25.78	+7	+1.1	+15.1	+14.0
Florida	20,216	70,637	53,569	1,100,680	54.45	15.58	+1.2	+1.4	+7.7	+9.7
Georgia	13,316	47,495	36,429	988,464	74.23	20.81	+9	+1.1	+7.0	+9.2
Hawaii	3,103	11,853	9,364	295,037	95.08	24.89	-7	-1.4	+13.9	+19.2
Idaho	1,824	6,441	4,720	225,767	123.78	35.05	-2	-2	+2.0	+5.0
Illinois	20,511	77,993	59,132	2,610,028	127.25	33.46	+6	+1.2	+2.5	+6.9
Indiana	8,254	29,034	21,579	728,676	88.28	25.10	+1.8	+2.3	+12.1	+18.2
Iowa	6,504	23,309	17,357	720,074	110.71	30.89	+1.0	+1.8	+12.0	+4.0
Kansas	4,202	15,183	11,643	463,340	110.27	30.52	+1.3	+1.2	+9.9	+13.4
Kentucky	18,432	64,946	48,267	1,138,908	61.79	17.54	+2	+5	-6.1	-8.2
Louisiana	16,975	64,520	48,838	1,078,357	63.53	16.71	-2.9	-3.5	-10.5	-9.9
Maine	4,184	14,573	10,528	344,022	82.44	23.67	+1	+2	+4.2	+4.0
Maryland	5,966	23,804	18,387	553,482	92.77	23.25	+1.9	+2	+23.1	+21.7
Massachusetts	12,369	41,010	30,315	1,537,463	124.30	37.49	+7	+1.0	+2.2	+6.4
Michigan	19,193	65,346	47,533	2,079,347	108.34	31.82	+1.4	+9	+4.0	+11.1
Minnesota	7,449	25,512	19,620	853,185	114.54	33.44	+1.0	(*)	+7.3	+12.4
Mississippi	15,702	59,581	46,002	409,879	26.10	6.88	+1.4	+1.6	+28.9	+20.5
Missouri	21,001	73,098	54,102	1,404,928	66.90	19.22	+0	+1.1	+3.0	+6.2
Montana	2,207	7,823	5,891	226,208	102.50	28.92	+8	+1.7	+1.1	+1.1
Nebraska	2,441	8,742	6,529	228,783	93.73	26.17	-1.0	-3	+2.9	+1.2
Nevada <sup>3</sup>	23	87	64	1,068	(*)	12.28	(*)	(*)	(*)	(*)
New Hampshire	1,060	3,800	2,825	131,479	124.04	34.60	+2.3	+6.3	-9.6	-7.3
New Jersey	5,342	17,862	13,567	619,399	115.95	34.68	+1.9	+2.8	+11.0	+18.8
New Mexico	6,691	24,394	18,739	494,550	73.91	20.27	+1.3	+2	+19.7	+20.2
New York	50,156	178,574	130,173	6,744,703	134.47	37.77	+1.0	+3.0	+12.2	+17.4
North Carolina	17,544	65,843	50,188	1,071,534	61.08	16.27	+5	+8	+10.1	+16.3
North Dakota	1,438	5,245	4,021	165,399	115.02	31.53	+7	+2.4	-1.2	+5.5
Ohio <sup>4</sup>	14,049	53,054	40,303	1,308,890	93.17	24.67	+1.1	+2.5	+12.0	+18.6
Oklahoma	15,203	52,429	38,479	1,121,437	73.76	21.39	-2	+9	-7.1	-4.4
Oregon	3,576	12,709	9,579	446,009	124.44	35.02	+9.6	+14.9	+21.8	+24.9
Pennsylvania	27,573	104,955	79,586	2,851,438	103.41	27.17	+1.7	+2.4	+14.8	+23.2
Puerto Rico	40,539	134,898	102,643	409,426	10.10	3.04	+8	+1.2	+14.0	+19.0
Rhode Island	3,308	11,385	8,344	365,411	110.46	32.10	0	+1	+6.6	+7.6
South Carolina	7,740	29,734	23,130	359,120	46.40	12.08	+9	+9	+14.2	+18.1
South Dakota	2,825	9,389	7,168	234,468	83.00	24.97	(*)	+4.6	+5.6	
Tennessee	22,226	80,157	59,901	1,515,964	68.21	18.91	+9	+10.4	+11.2	
Texas	20,531	80,173	59,917	1,224,054	59.62	15.27	-7	-7	+19.7	+8.8
Utah	3,143	11,001	8,160	357,779	113.83	32.52	+1.1	+6	+9.9	+10.7
Vermont	1,021	3,554	2,677	78,692	77.07	22.14	-3	+3	+1.2	+3.9
Virgin Islands	169	622	512	3,927	23.24	6.31	+7.0	+9.7	-7.7	+40.0
Virginia	8,538	33,022	25,444	567,310	66.45	17.18	+1.2	+1	+15.1	+15.7
Washington	8,573	29,115	21,322	896,566	104.58	30.79	+5	+1.1	-2.0	-1.3
West Virginia	18,363	69,304	53,932	1,472,770	80.20	21.25	+1.0	+1.1	+3.5	+17.8
Wisconsin	7,834	27,233	20,128	1,043,002	133.14	38.30	+1	-1.9	+2.9	+9.0
Wyoming	512	1,850	1,404	54,629	106.70	29.53	+6	+8	+6.0	+5.5

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.<sup>2</sup> Includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in determining the amount of assistance.<sup>3</sup> Includes program administered without Federal participation in Nevada.<sup>4</sup> Increase of less than 0.05 percent.<sup>5</sup> Average payment not computed on base of less than 50 families; percentage change, on less than 100 families.<sup>6</sup> In addition to these payments from aid to dependent children funds, supplemental payments of \$96,840 from general assistance funds were made to 2,475 families.

**Table 17.—Aid to the permanently and totally disabled: Recipients and payments to recipients, by State, September 1954<sup>1</sup>**

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	August 1954 in—		September 1953 in—	
				Number	Amount	Number	Amount
Total	219,764	\$11,805,623	\$53.72	+1.1	+1.4	+17.3	+19.7
Ala.	8,967	222,088	24.77	+1.0	+1.0	—.7	-11.6
Ark.	3,777	116,104	30.74	+3.8	+3.8	+132.1	+128.8
Colo.	4,787	273,501	57.13	+1.2	+1.4	+12.1	+13.8
Conn.	1,367	138,035	100.98	+3.9	+3.5	—	—
Del.	186	7,810	50.06	+12.2	+11.6	(3)	(3)
D. C.	2,067	124,438	60.20	+1.5	+1.6	+36.1	+38.7
Ga.	7,815	325,812	41.69	+1.7	+1.9	+39.7	+44.6
Hawaii	1,233	71,264	57.80	+2.2	+2.5	+3.7	+11.8
Idaho	851	51,570	60.60	—.8	—.9	+2.8	+5.7
Ill.	5,757	430,422	78.24	+1.1	+5.3	+14.0	+25.4
Kans.	3,252	217,187	66.79	+.7	+2.0	+6.3	+8.6
La.	12,068	508,172	42.11	+2.2	+1.0	—7.3	-6.0
Md.	4,217	220,752	52.35	—.3	—.3	+12.9	+15.2
Mass.	9,769	941,701	96.40	+1.4	+2.3	+2.5	+13.4
Mich.	2,023	142,776	70.58	+1.8	+2.0	+14.7	+18.5
Minn.	471	25,341	53.80	+0.3	+0.6	—	—
Miss.	2,882	70,848	24.58	+.3	+4	+57.3	+60.0
Mo.	14,418	748,969	51.95	+2.2	+2.2	+8.4	+8.5
Mont.	1,410	88,845	63.01	+1.2	+1.4	+13.8	+14.1
N. H.	199	13,981	70.26	+1.5	+1.8	+61.8	+54.7
N. J.	2,789	216,647	77.68	+1.3	+1.2	+21.5	+28.3
N. Mex.	1,858	72,760	39.16	—.3	—.3	—2.2	—3.6
N. Y.	39,358	3,167,976	90.49	+.6	+5	+15.9	+20.6
N. C.	9,761	358,822	36.76	+3.1	+3.4	+27.4	+31.0
N. Dak.	820	58,008	70.74	+1.2	+6.1	+12.3	+20.7
Ohio <sup>12</sup>	7,439	369,959	49.73	+.6	+8	+13.7	+14.3
Oklahoma	5,081	250,632	49.33	+2.1	+3.5	+8.1	+12.4
Oreg.	2,888	221,621	76.74	+2.3	+2.2	+27.0	+29.0
Pa.	12,631	675,094	53.45	+.7	+1.5	+19.9	+32.1
P. R.	17,492	149,290	8.53	+1.5	+2.1	+33.4	+39.3
R. I.	1,289	95,145	73.81	+2.4	+2.3	+48.2	+55.4
S. C.	7,380	231,075	31.31	+.6	+6	+13.7	+13.6
S. Dak.	583	26,709	45.81	+1.7	+1.4	+33.7	+34.8
Tenn.	1,304	51,788	39.71	+3.3	+3.5	+226.8	+232.7
Utah	1,727	110,589	64.04	+.5	+6	+12.8	+12.9
Vt.	382	18,576	48.63	+1.9	+2.0	+39.9	+42.2
V. I.	78	1,155	14.81	(1)	(1)	(1)	(1)
Va.	4,479	169,892	37.93	+.9	+1.7	+11.6	+17.4
Wash.	5,367	306,547	71.23	+2.3	+2.6	+3.5	+1.2
W. Va.	7,809	273,843	35.07	+2.4	+1.9	+40.3	+56.4
Wis.	1,118	103,331	92.42	—.2	+2.9	+3.5	+35.3
Wyo.	445	26,548	59.66	+2.3	+2.3	+2.8	+2.2

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.

<sup>2</sup> Percentage change not computed on base of less than 100 recipients.

<sup>3</sup> In addition to these payments from aid to the permanently and totally disabled funds, supplemental payments of \$40,657 from general assistance funds were made to 1,771 recipients.

**Table 18.—General assistance: Cases and payments to cases, by State, September 1954<sup>1</sup>**

Exclusive of vendor payments for medical care and cases receiving only such payments

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	August 1954 in—		September 1953 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup>	308,000	\$16,536,000	\$53.68	+1.7	+4.1	+28.2	+44.8
Ala.	141	3,363	23.85	+.7	+1.1	—.7	-1.0
Alaska	129	6,636	51.44	+.8	+3.1	(4)	(4)
Ariz.	1,693	72,670	42.92	-1.7	+6	+10.6	+3.2
Ark.	498	7,345	14.75	-1.4	+1.3	-48.9	-43.3
Calif.	31,693	1,574,293	49.67	-1.9	-7	+18.9	+22.6
Colo.	1,386	52,504	37.88	-4	-3	-2	-12.3
Conn.	2,964	168,166	56.74	-1.7	-3.4	-19.0	-17.3
Del.	1,103	54,059	49.01	+1.7	+5.2	+49.7	+65.4
D. C.	545	33,482	61.43	-4.6	-3.6	-29.2	-27.3
Fla. <sup>3</sup>	5,300	86,100	—	—	—	—	—
Ga.	2,403	53,341	22.20	+3.8	+2.5	+18.5	+41.1
Hawaii	1,584	86,428	54.56	-8	-1.9	+112.3	+182.4
Idaho <sup>4</sup>	87	3,638	41.82	(3)	(3)	(3)	(3)
Ill.	32,068	2,197,085	68.51	+2.8	+5.1	+49.7	+72.7
Ind. <sup>5</sup>	12,417	434,579	35.00	+5.1	+8.9	+59.7	+70.3
Iowa	3,748	119,615	31.91	-1.0	-1.7	+25.1	+24.3
Kans.	1,863	90,296	53.30	-1.1	+4.0	+15.9	+24.1
Ky.	2,738	82,949	30.30	+1.1	+2.9	+1.1	+13.3
La.	7,044	276,315	39.23	+1.6	+1.1	—.7	+1.4
Maine	2,905	130,346	43.96	+5.3	+10.9	+13.0	+10.7
Md.	2,198	116,939	53.20	-3.0	-6.6	+11.9	+11.2
Mass.	12,482	697,139	55.85	-3	+3.9	+17.3	+25.1
Mich.	19,474	1,362,031	69.94	+5.5	+10.7	+72.7	+120.1
Minn.	5,948	324,103	54.50	-2.3	-6	+17.6	+28.2
Miss.	886	12,148	13.71	+9	+5	+7.9	+9.5
Mo.	5,655	212,253	37.53	+2.3	+3.4	-5	+11.2
Mont.	2,241	115,179	51.24	+256.8	+520.1	+325.2	+717.0
Nebr.	1,433	60,018	41.88	-3.7	-8.3	—	—
Nev.	343	11,521	33.59	+9.6	+3.0	+14.3	+10.8
N. H.	990	41,093	41.51	+1.2	-7.6	+27.1	+18.5
N. J. <sup>6</sup>	7,446	583,463	78.36	+1.8	+3.0	+37.0	+53.7
N. Mex.	545	14,612	26.81	-5	+9	+53.1	+61.6
N. Y.	28,094	2,171,319	77.29	+2	+3.7	+8.9	+13.4
N. C.	2,285	50,555	22.12	+2.7	+3.7	+23.6	+23.9
N. Dak.	282	12,193	43.24	-1.1	+5.0	+7.2	+24.4
Ohio <sup>10</sup>	30,742	1,624,458	52.84	+7	+2.3	+64.6	+91.6
Oklahoma	4,300	67,908	—	—	—	—	—
Oreg.	4,628	261,443	56.49	+1.0	+1.2	+15.8	+8.9
Pa.	22,735	1,561,197	68.67	+5.7	+9.3	+56.1	+99.6
P. R.	1,035	6,600	6.38	-1.1	-2.0	-55.4	-57.5
R. I.	4,022	250,535	62.29	+5.8	-1.3	+31.7	+34.8
S. C.	2,259	50,005	22.14	0	-3	+4.9	+5.5
S. Dak.	1,118	34,990	31.30	-3.1	-5.6	+128.6	+174.0
Tenn.	2,273	36,012	15.84	-3	+10.7	-2.1	+18.6
Tex. <sup>11</sup>	8,900	183,000	—	—	—	—	—
Utah	1,612	96,225	59.69	-7.2	-9.1	+32.3	+30.5
Vt. <sup>12</sup>	1,100	49,000	—	—	—	—	—
V. I.	95	1,261	13.27	(3)	(3)	-33.1	-14.3
Va.	2,182	76,944	35.26	+1	-2.8	+20.9	+25.1
Wash.	9,767	581,333	59.52	-1.9	-1.3	+29.4	+31.8
W. Va.	2,658	76,540	28.80	-2	+1.6	-21.6	-25.0
Wis.	7,762	557,856	71.87	+1.2	+3.8	+63.7	+98.3
Wyo.	191	8,978	47.01	-1.5	+4.5	+56.6	+64.1

<sup>1</sup> For definition of terms see the *Bulletin*, January 1953, p. 16. All data subject to revision.

<sup>2</sup> Partly estimated; does not represent sum of State figures because total excludes for Indiana and New Jersey payments made for, and an estimated number of cases receiving, medical care, hospitalization, and burial only.

<sup>3</sup> Percentage change not computed on base of less than 100 cases.

<sup>4</sup> State program only; excludes program administered by local officials.

<sup>5</sup> About 5 percent of this total is estimated.

<sup>6</sup> Partly estimated.

<sup>7</sup> Excludes assistance in kind and cases receiving assistance in kind only, and for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents about 60 percent of total.

<sup>8</sup> Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

<sup>9</sup> Includes cases receiving medical care only.

<sup>10</sup> Includes 6,481 cases and payments of \$217,421 representing supplementation of other assistance programs.

<sup>11</sup> Excludes estimated duplication between programs; 1,488 cases were aided by county commissioners and 3,168 cases under program administered by Oklahoma Emergency Relief Board.

<sup>12</sup> Estimated on basis of reports from a sample of local jurisdictions.

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# Social Security Operations\*



\* Old-age and survivors insurance: benefits paid during month (current-payment status), estimated for August 1954; annual data represent average monthly total. Public assistance: payments during month under all State programs (including vendor payments for medical care beginning October 1950, except for general assistance); annual data represent average monthly total. Unemployment insurance: gross benefits paid during month under all State laws; annual data represent average monthly total.

<sup>1</sup> Receiving old-age, wife's or husband's, widow's or widower's, or parent's benefit. Beginning September 1950, includes a small proportion of wife beneficiaries under age 65 with child beneficiaries in their care.

<sup>2</sup> Children plus 1 adult per family when adults are included in assistance group; before October 1950, partly estimated.

<sup>3</sup> Program initiated October 1950.

NOTE: Data for payments and data for individuals receiving payments appear in alternate months.

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